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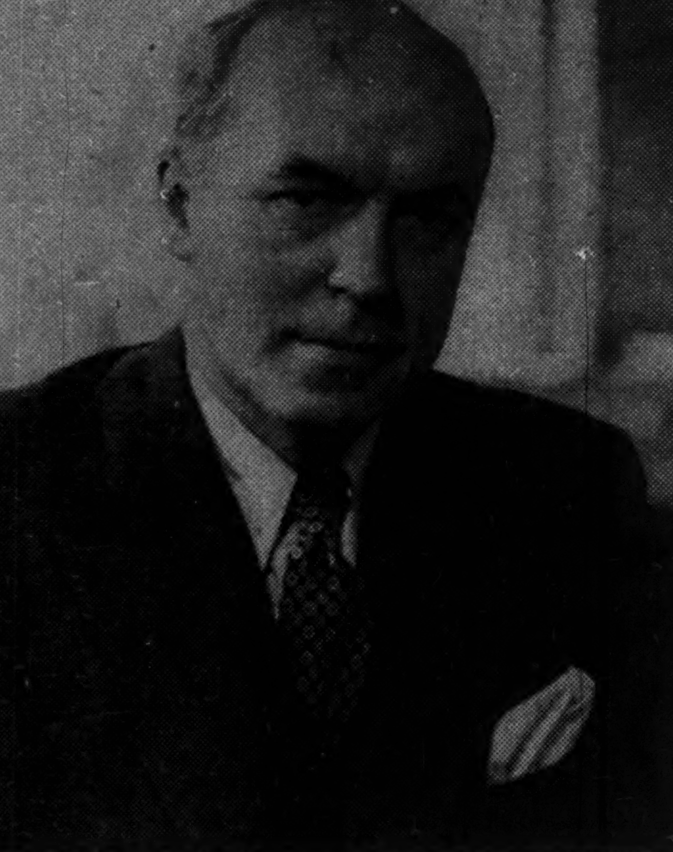
New Chief Accountant



Lorn McLean, vice-president, British Columbia Electric Co., Vancouver, B.C., as new president of the Canadian Institute of Chartered Accountants, heads the activities of its 4,975 members across Canada. The Institute's membership has more than doubled since 1939. Born in 1902 in California, a B.A. from Toronto (1924), McLean was admitted to Quebec Institue in 1927 and B. C. Institute in 1944.

THE NATION'S BUSINESS

Capital Gains Tax Seen Threat Here

This week Canada has been host to the National Tax Association, a U. S. organization of tax experts which has some Canadian members. Our tax systems have been getting a thorough review.

The explanations of Canada's taxes have been aimed at enlightening the Americans who have been present. But they also provide Canadians with a look at themselves.

These are some of the conclusions reached:

1. It is not government policy to tax capital gains. But according to J. R. Petrie of Jones Heward & Co., Montreal, it appears that the courts are gradually extending the concept of "business transaction" to include the casual speculative profits which a few years ago would likely have been held exempt from tax as capital gains. There is "confusion and concern over a situation where administrative and judicial decisions appear to encroach upon avowed government policy." His demand for a clean-up and classification here is welcome.

2. Corporate income tax at high rates is here to stay. Finance Department's Kenneth Eaton would not prophesy its future level, but he said that over the last ten years revenues from taxes on corporate income have been greater than the revenues from the whole of the tax on individual income from all sources, and that there is a "practical difficulty of replacing a tax or cutting down substantially in the yield from an important tax that has over a period been solidly built into the revenue structure."

Sales Tax For Free-Riders

3. The federal sales tax is a solid part of the country's revenue system and has been taken into the public consciousness as one of the facts of life. In a time of swiftly progressive personal income tax rates, the sales tax is an appropriate way of getting at income which would otherwise escape taxation or be taxed only very lightly.

Tax systems can get endlessly entangled. Tax men can become hopelessly involved in details. But the feeling from the National Tax Association conference seems to be that Canadians, with many tax improvements still to be made, have come a long way along the road of common sense in these matters—having regard for the expenditures the majority of voters insist be made.

And most important is the fact that our top public servants do not consider themselves tin gods, but rather, they are intelligent, approachable servants of the common good, who know that their job is to find ways to make the burdens of taxation as painless and as fair as possible.

Another thing: It was very evident that the Americans are extremely envious of our tax setup. Their own is full of woe.

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Keeping Judiciary Clean

Appointment of Canadian judges solely on the basis of merit and without political party associations was advocated by General J. A. Clark in his presidential address before the Canadian Bar Association last week. Most people would certainly agree with the objective of having high calibre men and of keeping politics out of the courts.

But is there any real and sure improvement in any alternative to the present method of appointment?

Even the members of the CBA seem to have admitted practical difficulties. In their final resolution on the matter they merely asked for the establishment of a practice "whereby regardless of pressures from his cabinet colleagues, the Prime Minister or Minister of Justice recommend appropriate men who are leaders in their profession."

That pious sentiment doesn't go nearly as far as General Clark recommended, which was that judicial selections be made by the Minister of Justice from a slate prepared by a panel made up of representatives of the bench and the law.

We wonder if the gain in escaping presumed political pressures is enough to offset the loss to the principle of responsible government. The panel scheme would put the appointment of judges in the hands of people not responsible to Parliament or the electors and who couldn't be kicked out if they made a bad or even scandalous choice.

How It's Done Now

What happens now is that the Minister of Justice invites the cabinet minister, or some similar official, representing the province in which the appointment is to be made to explore the possibilities. There is likely to be further consultation with the premier of the province and with local members and the local chief justice.

After one name has been selected by this group, cabinet okay is normally automatic.

It is probable that Liberal governments don't name active and vociferous Conservatives, but it is also the case that the men selected are not always active Liberals either. And in any case nearly all would readily admit that Canadian judges are prompt and thorough in forgetting past party predilections.

Sure, the system could be abused, but for that very reason a government should be responsible to the people for its appointments just as it is responsible for the spending of taxes.

General Clark is to be congratulated on raising this topic. Talking about it forcefully is important in keeping high the standards we want of our judiciary and for our judiciary.

Forest Survey Boosts Sask. Industrial Hope

Preliminary Report Shows 24 Million Cords Of Standing Softwood in Northeast Area of Province, Almost 10 Times Earlier Estimates

From Our Own Correspondent

REGINA—Saskatchewan hopes for home newsprint production got a big boost this week with announcement by the Provincial Government that Saskatchewan has at least 24 million cords of standing softwood available now for pulpwood manufacture and may have as many as 30 million cords.

Resources Minister J. H. Brockelbank said the survey indicates Saskatchewan has "one of the last remaining undeveloped pulpwood areas in Canada." He said that with rising demand for paper and paper products "a pulpwood industry should develop here in the near future."

Other considerations being equal, it takes a minimum of 100,000 cords a year for economic operation of one newsprint mill —that would give roughly 100,000 tons of newsprint a year.

The province reports that at least 16 million cords of the known softwood stand are either white or black spruce, the most desirable softwood for pulp and paper manufacture.

Previous reports showed the province with only 2.5 million cords of spruce available for pulpwood. The new assessment comes in preliminary reports of a long-term forest resources survey.

The available softwood stand cuts through the province's centre in a triangular-shaped sweep with its base extending along the Manitoba-Saskatchewan boundary and its apex stretching westward across two thirds of the province to a point northwest of Prince Albert, Saskatchewan's most northerly city. The area embraces about 20,000 square miles of mixed forest lands.

Completed in 1954

The current survey, begun in 1948 and not expected to be completed until 1954, will cover about 30,000 square miles of the most accessible timber in the mixed forest belt which extends some 55,000 square miles through the province's centre.

The report shows a known stand of at least 43 million cords of mixed woods, all measuring between four and nine inches in diameter at breast height. Of this total, 24,603,000 cords are softwood — suitable for pulpwood manufacture — and another 19,080,000 cords are hardwoods.

The breakdown by species:

—Softwoods: 4,574,000 cords of white spruce; 11,709,000 cords of black spruce; 7 million cords of jack pine; 1,320,000 cords of other softwoods; total 24,603,000 cords.

—Hardwoods: 14,909,000 cords of white poplar; 2,569,000 cords of black poplar; 1,601,000 cords of white birch; 1,000 cords of other hardwoods; total 19,080,000 cords. (One cord contains an estimated 500 board feet.)

Mill Prospects

How soon the stand is exploited for its pulpwood possibilities depends, of course, on the interest which the government can arouse among outside investors. The resources minister said pulp interests in Eastern Canada and United States "are currently looking over the possibilities of such development here" but that no commitments have been made to date.

It is also understood that British and Swiss interests have been studying the possibility of moving into Saskatchewan's northland, but have been held up because of dollar shortages.

"A number of possible sites, with adequate water supply for mills exist on the railways adjacent to the forests," according to Mr. Brockelbank. "These sites are already served by organized urban communities."

One of the most promising stands includes an estimated 5

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Is Ottawa Getting Ready To Open Door to Jap Goods?

OTTAWA (Staff) — Is Canada contemplating extension of full Most Favored Nation treatment to Japan under the coming treaty, including waiving the right to set arbitrary values?

This important question has been posed by a speech of Prime Minister St. Laurent last week in Victoria, B.C., in which he issued a plain spoken warning to protectionist elements in Canada who wanted to curb imports of Japanese goods.

Japan in its new position as a sovereign nation has asked the Canadian Government to enter into negotiation of a trade treaty, and the Canadian Government has accepted the invitation. The next move is up to the Japanese, but it is expected that negotiations will be started soon.

Conclusion of a trade treaty with Japan, now Canada's fourth best customer and running a trade deficit with Canada of about $60 millions a year, would mean substantial concessions by Canada. Japanese imports are coming in under the general tariff, and are further restricted by the fact that the Government can and does set arbitrary values for duty purposes where market value in the country of origin is substantially below similar goods in Canada.

This is a right that many Canadian manufacturers would like to preserve and thinking in some Ottawa quarters has been directed to a treaty which would allow Japan use of the M.F.N. tariff but retain arbitrary values.

Prime Minister's Statement

But here is what Prime Minister St. Laurent has to say on the subject:

"We Canadians maintain that we want to see a better standard of living for the masses of Asia and yet the protectionists among us, and they still exist, cry that we will be ruined by the competition of cheap foreign goods on our domestic markets, though of course to them cheap foreign raw materials are quite another thing. I tell you that if we really want to see the Japanese people and the people of India, Ceylon and Pakistan and the other countries of South East Asia improve their standard of living then we must be prepared to buy our fair share of cheap foreign goods that are not dumped on our markets at prices lower than those in their country of origin, but goods produced by workers with lower living standards than Canadian workers."

Mr. St. Laurent's reference to "prices lower than those in their country of origin" may be meant to set the only yardstick for valuing Japanese imports for duty purposes. If so, it is a broad hint that Canada may be contemplating extension of the same sort of M.F.N. treatment to Japan that the Japanese would receive if they obtained membership under

(Continued on page 3, col. 3)

Used Car Price Shift Slight As New Models Get Into High

Used car prices in Toronto area were slipping this week — not much, but enough to be noticed by wary buyers.

Whether the price movements were wide enough to keep the cagey buyers on the sidelines for a while and force prices down farther remained a question in dealers' minds.

How much of the drop was due to seasonal drop in demand — with couples thinking more of the fireside than the open road — and how much it was due to the coming 1953 models were also questions that had dealers scratching their heads.

But most were not too worried. Prices have held firmly for the past three or four months and though the usual peak in spring demand didn't occur this year, it's been a steady season. Dealers didn't expect any drastic price cuts now.

Tags on the 1948-51 group had been lowered about $100 this week with '46 and '47 models down about $50. The 1952 models were still holding their prices but these are expected to drop substantially as the birthdate of the '53 jobs draws nearer.

The 1952 Chevrolet, for instance, was selling around the $2,200 mark but is expected to drop approximately $200 more by the time the new models are in salesrooms. The 1947 Chev sells at about half that price now and isn't likely to drop much farther, by the end of the year, dealers say.

What was keeping the market so steady? The steel strike in the U. S. was credited by some dealers as having kept showrooms relatively empty and the used car business brisk.

Business spokesmen said few dealers were overstocked with used cars and that actually there was a slight shortage in many quarters. They could foresee further slight drops in prices but there was no hint of a big break in the market.

In the U. S., used car sales and prices were holding firm despite predictions of slumps a month ago. Most dealers there see little change until the new models appear and some even expect sales to increase appreciably before then. The drop in prices then, they say, will be slight.

PRICES

Canned Salmon has dropped from $1 to $2.50 a case, depending on species, at Vancouver. It was second drop of season, making total decline this year ranging from $3.50 to $7 a case. The latest cut is caused by new pack from current season piling up on carry-over from last year. Overseas markets are off and industry is trying to get price down to where inventories will move.

Turkeys are selling at lowest price levels since the war. A 25% jump in turkey population has knocked prices down 15c-16c below last year's levels.

Cheese supply situation in Ontario still critically heavy despite a 23% drop in production this year. On Aug. 1, cheddar in storage totaled 43,212,000 lbs against 37,326,000 on same date a year ago. But last year a United Kingdom market opened up; this year there won't be any, at least not at current prices. Price to the wholesale trade is still 30c (last year 5c and 6c a lb. more than that). Ottawa guarantees a floor of 24c a lb. and the provincial government added another 6c.

Freight rates (trans-Atlantic) have been cut 10% under a new contract set-up introduced by one U. S. firm. This is the first important cut in Continental Freight Conference rates which covers practically all categories of freight except bulk materials such as coal and grain.

Wool prices have weakened moderately in Australian auctions after opening on a firm note at the same or slightly higher than closing prices of last June. Canadian and American buyers will be more active later in month when wool offerings are more in line with their requirements.

Canada to Build More Planes On UK License?

By VICTOR KOBY

LONDON — Among the hundreds of thousands who watched the U.K.'s brilliant Farnborough air show were a number of Canadians. They weren't there in the casual role of spectators. Nor were many U. S. air experts there just as spectators.

This interest: to buy planes, or the North American production rights for planes. Their biggest interest was in jets, but other types of fast British passenger craft drew more than passing attention.

Here's a roundup of the reaction of Canadians who were at the show:

1 — Trans - Canada Airlines President C. R. McGregor has expressed great interest in two aircraft: the Vickers Viscount to replace the DC3 on inter-city routes; the Bristol Britannia as additional replacements for the North Stars.

2—J. G. Notman, Canadair president, said he was "most eager" to produce a successor to the RCAF's and TCA's North Stars; Canadair may "quite possibly" build the Bristol Britannia under license for marketing in Canada and the U. S.

3 — RCAF are considering designs for a new swept wing or delta fighter to be produced by Avro to succeed their CF-100.

4 — Canadian Pacific Airlines will receive its first jet Comet

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Two UK Merchant Bankers Move Into Canadian Field

By JAMES H. JOYCE

A further indication of the United Kingdom's interest in Canada's future and growth possibilities is seen this week with the announcement that two long-established, world known, large English merchant banking houses were joining in partnership with a Canadian investment house in a new firm.

Principals in the new investment house to be called Harris & Partners Ltd. are:

(1) Baring Brothers & Co. Ltd., London, England.

(2) Morgan Grenfell & Co. Ltd., London, England.

(3) W. C. Harris & Co. Ltd., Toronto.

Chairman of the board of the new firm will be Sir Edward Peacock, G.C.V.O. (Grand Cross of Victorian Order), who is senior partner and chairman of Baring Brothers and a Canadian, resident in England since 1908.

President is W. C. (Bill) Harris, head of W. C. Harris & Co. Ltd., which will now be continued as a private investment company. Harris is also a partner of Osler & Hammond, Toronto brokerage firm with branches in Windsor, Chatham, Galt and Kitchener; vice-president and a director of Monarch Mortgage & Investments Ltd., and a director of Bank of Nova Scotia and Toronto General Trusts Corp.

Other directors of the new firm will be:

—W. W. H. Hill-Wood—a partner in Morgan Grenfell & Co., a director of British Celanese Ltd. —and of Commercial Union Insurance Co.

—C. H. G. Millis—a partner in Baring Brothers, a director of Sun Insurance Office Ltd. of London, and Sun Life Assurance Society of London.

—H. B. Bell—vice-president of W. C. Harris & Co. Ltd.

In view of the tremendous U. S. investment interest in Canada, this indication of British investment interest will be widely studied. It will also create widespread interest in the United Kingdom in how the deal was negotiated.

"Both our firms have wanted to take some part in the great development going on in Canada," Sir Edward Peacock and Hon. R. H. Vivian Smith, a Morgan Grenfell partner, told The Financial Post. "Our investment here is somewhat restricted but we have been able to make a modest arrangement," he said.

Acquired Canadian Funds

"We both would have been here much earlier if it had been possible, but we have only recently had the opportunity to acquire

(Continued on page 3, col. 1)

Set Sales Boom As TV Arrives

Retailers See Action "From Now Till Christmas"

By KENNETH WHITE

All along the line, television set sales are "as high or higher than expectations," as Canadian television bows in and the public exercises its right to buy on time.

At 7,492 sets shipped out by manufacturers during the month, July was the biggest month ever. Both makers and retailers expect that tempo to keep up until Christmas and on into next year, perhaps for the whole of next year, a Financial Post survey indicates.

TV sets moved in August and September are expected to top the July record for both months.

CBC's TV debut, backed by fanfare and judicial televising at Montreal of home ball games plus Toronto CNE promotion, is, of course, bringing in the happy results for the retailers and manufacturers, but relaxation of credit curbs early in May has undoubtedly been the clincher (The Financial Post, May 10).

Of the sets currently being sold to consumers, some 85% to 90% are being bought on a dollar-now-dollar later basis—often on the consumer's own terms.

No Warehousing

President of one major manufacturing firm indicates how well things are going at that end: "We're pretty well out of stock right now. As we produce, we ship."

"After all, it's difficult to sell television sets without television transmission," he said. "We got some through the courtesy of the United States, but now we're in the television business for the first time. I certainly expect to go full speed up to Christmas and right through next year."

Another manufacturer has anticipated fall production completely sold out.

What may cause a further ripple on the TV set sales front: most manufacturers are scheduled to come out with 1953 models in from one to three weeks. One manufacturer has 1953 models on display and moving into consumer homes now.

In the midst of it all, manufacturers aren't stampeding. Memories of over-stocked warehouses in TV and other lines of a year ago are too vivid. They've stepped up production to a brisk pace, but they're guarding against over-production.

The business is apparently on a steady assembly line, to retailer, to consumer basis, with no one likely to pile up inventories. So far, the retailers say, there's no squeeze in supply. Some would like to get more sets, but there is no indication of unfilled orders or a customer waiting list.

Many retailers, who frankly state they're "elated" about the way things are going, are taking

(Continued on page 2, col. 3)

May Change Rules On Pension Taxes

Ottawa Experts Are Taking a Good Look at the Deferred Profit-Sharing Plan—How it Differs From the Industrial Pension Plans

By WARREN BALDWIN

OTTAWA—Between now and budget time, Department of Finance tax experts will be having another look at the whole question of tax postponement on savings plans.

The last study was before the 1949 budget. Then the Government was looking around for ways of giving tax relief in a pre-election budget without too greatly increasing spending power. Danger of inflationary pressure could be lessened by giving special inducements to Canadians to save. Schemes for the issue of nonassignable bonds on which purchase price would be tax exempt but sale proceeds taxable were seriously considered, as was deferment of tax on all organized saving plans by industry.

Today with another election in the offing, the Government will again be looking around for tax relief measures. Inflationary dangers are less, but there is still a strong case to be made for inducing Canadians to save. Also, by its progressive measures in applying the principle of deferred taxation to a wider and wider range of industrial pension plans the Government has laid itself open to charges of discrimination.

A striking example is afforded by a comparison between the tax policy on an industrial pension plan and that on what are known as deferred profit-sharing plans. In each case, as a rule, the employee makes a contribution to a trust fund. In both cases, the employer makes an equal or greater contribution to the fund which is deductible from profits for income tax purposes.

Deferred Profit Sharing

In the case of deferred profit sharing, the employee, if he has been with the firm a required number of years, draws back his own money and (all or part of) that allocated by the employer at retirement or when he terminates employment for other reasons.

In the case of the pension plan, when the employee withdraws from the company before retirement, procedure varies. In some cases, after he has been contributing to the pension plan for a stated number of years he receives a paid-up annuity equal to the amount his own contributions plus interest would purchase or he might receive in a lump sum his own contributions plus interest. Under other plans, he might receive in addition the firm's contributions in whole or part.

The arrangements under pension plan and deferred profit-sharing plans are often identical, if death occurs before retirement.

But under the present tax policy the result on the employee's income tax is vastly different. Under the pension plan, he can

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Inside News

Biggest Engineering Feat
How B.C.'s biggest engineering feat is shaping up. The progress to date, what lies ahead in Alcan's $550 million West Coast project. A fabulous story in pictures (p. 17).

Pulp, Paper Preview
How and why Canada's industrial giant is gaining world weight. What's the outlook for prices, markets, long-term demand for our pulp and paper industry? The growth that lies ahead? The record of achievement? A complete report on Canada's biggest single industry (pp. 32 to 64).

Market Moves
Joseph Compton has completed a number of switches during the past two months, all part of a general program to "round out" some of his investment holdings. What are new moves, the reasoning behind them? Managed Investment (p. 5).

U.K. Unionism
Despite radical socialists, communists infiltrating the ranks, U. K. trade labor unions show up as still basically Conservative this week. London Calling (p. 32).

An Accountant's Career?
What does modern business require of the chartered accountant? What are the basic requirements of the individual for a career in chartered accountancy. The steps he has to take? (p. 24).

Wheat Export Position Good, Strike Would Hit The Farmer

OTTAWA (Staff) — If the 1,400 grain handlers at the lakehead go on strike, it isn't going to slow Canada's wheat export program right away. But it is going to hurt the western wheat grower.

With the record level of the new harvest, any stoppage at the lakehead would mean an almost immediate stoppage of delivery to country elevators on the prairies and the harvest would be piled up on the farms.

Western Canada is pulling off not only a record crop in quantity but in quality as well. The average grading has been raised from No. 3 to No. 2 in the past few weeks. But if this crop has to be dumped outside for any length of time, this picture could easily change.

Here is why a lakehead strike won't affect the export situation now:

When the U. S. steel strike halted ore shipment in June the carriers were switched to the grain movement. By the time the strike ended in July, stocks of wheat at the lakehead were only 27 million bushels compared with 55 million bushels the year before.

This contributed to Canada's record wheat export for the crop year 1951-52 (304.7 million bushels compared with 185 million bushels in 1952.) It also moved enough wheat to pack the pipeline at seaboard and forward position so that there is sufficient to meet all immediate demand for export cargoes.

No one here is minimizing the seriousness of the strike situation

(Continued on page 3, col. 3)

Wool Auction Trends Hint Clothing Won't Be Cheaper

By W. L. DACK

All eyes in the textile world were turned this week on the Sydney and Adelaide, Australia, wool auctions, where the 1952-53 season was getting off to a firm start. What transpires here over the next few weeks could help set the price pattern for next summer's clothes and hundreds of textile lines.

After starting out on a higher note — about 5% above closing levels of last season — prices eased off a bit, surrendering practically all of first days' gains. But buyers were out in force and bulk of all offerings were sold.

"So far, there hasn't been enough change to influence prices of next summer's clothes," a Canadian wool official told The Post at midweek. "But main sales as far as we are concerned don't come up for another couple of weeks."

It looks as if wool prices would have to change fairly substantially before domestic cloth mills would alter current price lists (on cloth now showing and to go into next spring and summer clothes).

"Practically all Canadian wool and worsted cloth makers are offering goods at lower than replacement values just to keep their mills operating," a cloth manufacturer claimed. "We've had to do this to give ourselves a chance of getting any of the reduced business available."

As long as U. K. cloth stays as price competitive as it now is, cloth makers claim they can't possibly raise prices and hope to get even the small business now coming their way. Most mills have fairly substantial stocks of raw wool on hand, enough at least to take care of anticipated reduced fall business.

"Even if business picks up from here and we had to go back into the wool market again at somewhat higher levels, chances are domestic cloth prices wouldn't rise much unless U. K. prices did likewise," a worsted cloth manufacturer told The Post. "Of course there is a limit as to how long you can operate like this and still stay in business."

Cutters up have indicated they will be in the market chiefly for straight wool and worsted cloth this year, as against the sizeable demand for blended cloth (wool and rayon and/or nylon) during last two years. Although interested to try reduced runs on such new wonder fabrics as orlon and dacron, indications now are that Canadian mills will not be able to get any worthwhile deliveries from U. S. suppliers until well on into 1953 or early 1954.

EATON'S

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ONE OF EATON'S OWN BRANDS

EATON'S

How CBC Television Baby Finding Legs at Montreal

MONTREAL (Staff) — Canadian television got under way on a regular programing basis here Saturday—with a lot of unknowns still to be solved.

Some of the main unknowns: How fast will the market for sets grow with only one station? How soon can the number of programs, in both French and English, be increased to provide a greater variety of viewers? To what extent will advertisers support the home-produced video in a market of this size?

Retailers here report the start of regular CBC telecasting has had very little effect so far on set sales, though earlier this summer TV set sales were higher than any other point in Canada. Some thought there might be a pick-up later this month, others felt there wouldn't be much change from the present level at least until the Toronto-Montreal microwave link is completed next year.

7,500 Sets in Area

CBC officials estimated last week that there were now approximately 7,500 sets in operation in the Montreal area. Some retailers contacted by The Financial Post felt this estimate was a bit high, although they pointed out that quite a few sets had been distributed to clubs and private individuals on loan, to help stimulate interest. Some were being rented, with the customer being offered the chance to apply the rental payments toward the cost price if he wished to keep the set.

As for advertiser interest, sports events, drama and variety shows are the shows most likely to pick up sponsors, CBC officials say. Some spot ads and some longer programs have been bought by advertisers but "the demand doesn't exceed the supply yet"—advertisers are still looking the situation over.

Extension of the viewing hours each day depends on some factors other than revenue, CBC men point out. The present staff has been pushed to handle the roughly three hours of telecasting now being carried each day. Although more revenue would help finance expansion of the present staff, there's also the problem of finding the technical and other special people suitable for the jobs, and the subsequent training.

No New Transmitter Yet

Thus the present number of hours per day is likely to continue for a while here. As they are increased, the variety for both English-speaking and French-speaking viewers should improve. But CBC Chairman A. D. Dunton made it clear here last week that a second transmitter for Montreal, which would give the city one for each of the two main language groups, was some time off.

He pointed to Prime Minister St. Laurent's announcement last week that the government would recommend loans to build stations on both coasts and the prairies (probably Vancouver, Halifax and Winnipeg). These and some others, such as Ottawa (due to have Canada's next TV station), Quebec City and Windsor, would probably come before a second station goes in here.

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How CBC, U.S. Networks See TV Program Muddle

Some new light is shed on the NBC, CBS-CBC television deadlock by a newly-issued report of the Joint Committee on Radio and Television of the Association of Canadian Advertisers and the Canadian Association of Advertising Agencies.

The deadlock—which, at midweek was still as tight as ever—arises from the U. S. networks asking price for TV shows piped into Canada of 70% of the take. (The Financial Post, Sept. 6.)

The new light:

(1) "It's understood" that CBLT's rate of $1,600 per hour breaks down to some $400 for time and $1,200 for production facilities.

(2) CBC is not prepared to meet the 70% asked on the grounds that what's left over wouldn't be enough to cover private station rates for possible Canadian network airing of the same shows.

(3) Both U. S. networks would go along with establishing a time rate basis that would be less than the CBC lump sum for facilities and time (regardless of the show) and apply their take to that, rather than the current CBC list charges.

Negotiations between CBC and other U. S. networks is no further ahead right now, a CBC official told The Post. It's likely, however, that arrangements to carry ABC and Dumont originated shows over CBC-TV will be made. Stickler, however, is that CBC had some five big Canadian advertisers sold on bringing in a like number of NBC and CBS shows, none for anything ABC or Dumont had for sale.

Canadian Westinghouse, who had already spent $18,000 on advance promotion for "Studio One," top U. S. drama show, is the first Canadian advertiser to announce new plans in view of the deadlock. It will sponsor "The Big Revue," CBC's biggest all-star variety show at the standard rate of $1,600 an hour plus talent fees; Tuesday nights.

Meanwhile the situation remains as reviewed here by the ACA and CAAA Joint Committee. Full text of their report follows:

CBC Position

"It is our understanding that the CBC position in this matter stems largely from the corporation's enactment of the Massey Commission Report, which recommended that Canadian Television support Canadian talent to the greatest possible extent. This is why the system of one rate ($1,600.00, one hour CBLT), combining time and production facilities charges, was adopted by the CBC. It is our understanding that an approximate breakdown of this rate is "$400.00" for time and "$1,200.00" for production facilities, regardless of whether the program is a U. S. or Canadian origination, filmed or live.

"The CBC states that senior officials of the Corporation revealed their rate card structure to the four U. S. networks in May of 1952, at which time none of the American networks raised the question of the 70% booking commission. This rate of commission was raised for discussion six weeks ago and eventually negotiations between NBC, CBS, and the CBC reached a stalemate last week.

"The Corporation was not prepared to meet the commission as suggested by the U. S. networks on the grounds that, when network television becomes a reality in Canada, the 30% remaining which would accrue to the Corporation from U. S. network shows would be insufficient to apply against private stations published rate cards. The Corporation is prepared to pay up to 25% commission but cannot go beyond this figure for the reasons stated above.

"The Corporation emphasizes that negotiations are still under way with the U. S. networks and that, meanwhile, internal discussions are being held to determine what can be done for the six sponsors whose U. S. programs were previously booked for Canadian television.

U. S. Network Position

"It is our understanding that very little difference of opinion exists between CBS and NBC. Both feel that CBLT and CBFT should be considered affiliate stations on the same basis as stations in Denver, Buffalo, Rochester, etc., and they can see no justification for any deviation from the existing affiliate booking commission.

"Both U. S. networks insist on a published rate and both insist on a breakdown between time and production facilities costs. NBC require that a time rate be established separately from any production facilities charges and are prepared to compromise to the extent of accepting a booking commission of 50% of the established time cost. CBS would accept a "$400.00" time rate as a basis for their booking commission, providing the Corporation will pay them 70% and if the CBC so desire, they may add the production facilities cost of "$1,200.00" as a service charge, which will not, however, be commissionable to the U. S. networks.

"Both U. S. networks stated that the programs affected will be all of those owned by either network (approximately 25% are owned) and any programs which either network originate or hold property rights. Films owned by package houses or sponsors, such as Fireside Theatre, I Love Lucy or Snader, are not affected. Exportation of films or kinescopes of live programs on these networks will not be permitted.

"Both U. S. networks disagree with the principle of U. S. programs subsidizing Canadian originations by the payment of production facilities charges, when said production facilities are not required or used."

Television Set Sales Boom As CBC Bows into Business

(Continued from page 1)

steps now to expand and train service departments to keep new-found customers happy.

Says the Canadian Association of Radio and Appliance Dealers: there'll be no repetition of the lack of retailer servicing evident with early-model radios.

While CBC-TV can take most of the credit for the new interest in receivers, Canadians are still buying with eyes on U. S. transmission. The tip-off: retailers report that literally every customer within border-point range is buying the big rooftop aerial to go with his set—which has a price tag of $60-$65. For immediate vicinity CBC reception a $5-$7 "rabbit ear" aerial would do the job, but it wouldn't pick up say Buffalo from Toronto anything like the bigger affair.

The 7,492 sets moved by manufacturers in July compared to 323 sets sent out to dealers in the same month last year, reports the Radio-Television Manufacturers Association of Canada. Comparative values: $3,398,944 against $167,476.

Here's how this year's July total breaks down by location: 3,897 shipped in Montreal; Toronto-Hamilton, 2,048; Windsor, 574; Niagara Peninsula, 636; other, 337. Previous high of any month was experienced in May, 1952, at 6,500 sets. June sales fell off to 5,600.

To the end of July, RTMA shows total set sales in Canada at 116,616, with this breakdown:

Toronto-Hamilton	45,971
Windsor	38,314
Niagara Peninsula	19,412
Montreal	6,622
Other	6,297

Changing Sales Emphasis

At the end of last year, manufacturers set sales had reached 78,438. That places the total number sold in the first seven months of 1952 at 38,178. At the same time, some significant changes have been taking place in area of sales in relation to totals.

At the end of 1951, the Windsor area and the Toronto-Hamilton area each had 38% of the total. At the end of July, Toronto-Hamilton had some 40% of the total; Windsor, 33%. From former leader in the field, Windsor has dropped back in sales to 21.6% of the total for the year so far and only 7% of sales in July, resulting from the stepped up Toronto-Hamilton results and the splurge in Montreal, rather than any sharp downturn at Windsor.

Console models selling under $500 got the biggest nod from the cash customers in July, according to manufacturer figures. Some 2,500 of the total number of sets moved during the month were in this category. The others: consoles over $500—1,000; table models under $400—1,700; table models over $400—1,500; combination TV, radio, phonograph—500. The 17-inch-or-less screen models are getting the biggest rush. In the July figures, 5,600 sets had the smaller tubes, the rest had tubes of 17 inches or more.

When 1952 totals are in, RTMA thinks they'll correspond pretty closely to what some 20 of their set-manufacturing members predicted in questionnaires earlier this year: an average of 85,000 sets.

What's Ahead.

RTMA is already optimistic about next year. Stuart Brownlee, of RTMA, anticipates manufacturer sales of 150,000 sets.

If television sales in Canada follow the pattern established by radio sales in this country in comparison to United States, Canadian manufacturers can look forward to an over-all total of one million sets by two years from now, according to Mr. Brownlee.

Here's how it works: There are roughly one twentieth the number of radios sold in Canada as in United States, with a time lag here of about two years. Right now, there are some 20 million television sets in operation in the U. S.

And two years ago, U. S. television dealers got rid of 7.5 million sets.

But that kind of optimism for Canada is tempered by several factors, admits Mr. Brownlee. First of all, TV sales may not follow a comparative radio sales pattern. Then there's the slow start of TV in Canada and limitations in areas of transmission of the home-grown product — though things are warming up here; quality of Canadian TV, in relation to the average viewer, is still an unknown.

In addition, there's a price factor. The average list price of a Canadian set runs around $400; in the U. S. it's about $325 (there's a 10% tax in the U. S., 25% here —down from 35% last April).

But in relation to volume, Canadian prices are held remarkably low, claim the manufacturers. Prices on the average Canadian sets are lower now than were prices in United States two years ago.

Gobbler Prices Tumbling Thanksgiving Tables Heavy

The traditional roast turkey will grace more Canadian Thanksgiving tables this year than in any year since the war. That's because prices have dropped to a level where every economically minded housewife will be interested.

Because there are 25% more gobblers running around the barnyards than last year, prices have started to tumble, are now down 15-16c a lb. from same time last year.

"These are the lowest prices we've seen for years," a poultry official at Canada Packers stated this week. "You can buy a good turkey now for about the same price as a heavy chicken."

Poultry dealers are looking for a heavy sale of turkeys both for Thanksgiving and Christmas trade. The cold storage business has been much heavier than usual all through the summer, particularly to tourist resorts. Normally about 70% of total year's turkey sales are made at Christmas time, another 10% at Thanksgiving. The remainder is spread out throughout the season and generally goes into cold storage channels.

Estimated number of turkeys on farms was 3,300,000 at June 1, according to government survey. This represented an increase of 25% over last year. Domestic fowls were up 4%, geese 10% and ducks 14%. Ontario leads in turkey population (730,000) followed closely by Alberta (640,000) and Saskatchewan (619,000).

Announcing

Belding - Corticelli Ltd. (Montreal) — C. F. Duclose, industrial sales manager; V. G. Sears, retail sales manager; G. A. Hill, assistant industrial sales manager; H. A. Reynolds, ribbon merchandise manager.

Canadian Allis-Chalmers (1951) Ltd. (Montreal) — P. D. MacIntyre, manager, industrial relations.

Canadian National Railways (Montreal) — A. H. Ormrod, assistant industrial commissioner, central region; F. A. Hunt, division engineer, Belleville, Ont., division.

Canadian Pacific Express (Montreal) — F. A. Doyle, assistant general superintendent, eastern lines; L. Phillips, superintendent, eastern division.

Continental Can Co. of Canada (Montreal) — Frank A. Whittall, president.

Crown Trust Co. (Toronto) — John K. Wedlake, executive assistant at head office.

Glen Falls Insurance Co. (Glen Falls, N.Y.) — Frank W. H. Simpson, inspector for Eastern Ontario, including Hamilton.

Hiram Walker & Sons Ltd. (Walkerville, Ont.—R. P. Pethick, Western Ontario division manager; S. J. Deery, assistant Ontario sales manager.

Household Finance Corp. of Canada (Toronto) — S. A. Berteaux, manager, Calgary branch at 109 Eighth Ave. E.; D. S. Fraser, manager, Lethbridge branch; L. S. MacDonald, manager, Calgary branch at 805 First St. W.; A. H. Ellerbeck, manager, Medicine Hat branch.

Independent Order of Foresters (Toronto) — Clifford D. McCreary, general treasurer and director.

Maritime Telegraph and Telephone Co. (Halifax) — A. M. MacKay, president.

Monsanto Canada Ltd. (Montreal) — N. Grecco, operating superintendent in charge of chemicals, resins and material handling, Montreal plant.

A. V. Roe Canada Ltd. (Toronto) — A. Ronald Williams, assistant to the president.

Shelly Films Ltd. (Toronto) — Reginald A. Batten, executive vice-president.

Schult Die Casting Co. (Wallaceburg, Ont.) — James A. McVean, general sales manager.

Trelco Ltd. (Toronto) — W. L. McFarland, chairman of the board; J. W. Mowder, president and general manager.

Wortsman Enterprises Ltd. (Toronto) — W. J. R. Rogers, assistant general manager and director of purchasing.

May Change Rules On Pension Taxes

(Continued from page 1)

now deduct from income the full amount of his contribution. Under the savings plan he not only has no deduction but the amount allocated to his credit in the trust fund through the employer's contribution is also assessed as income.

A Comparison

Here is the way it works out in the case of two employees, both married and earning salaries of $5,000 a year; one contributing to a pension plan and one to a profit-sharing plan. Assume that each is making a contribution of $20 a month to the respective plans.

	Under pension plan	Under deferred profit-sharing
Salary	$5,000	$5,000
Deduct. for contrib. to pension plan	240	......
	4,760	5,000
Add assessment for employer contrib. allocated under profit-sharing plan	......	240
Inc. before deduction for statutory exemp.	$4,760	$5,240
Less statutory exemp.	2,000	2,000
Taxable income	$2,760	$3,240
Tax payable	$527.20	$632.80

It is true that at the other end the one man has established a capital investment that is non-taxable, while the other has to pay income tax either on his pension or on the amount recovered if he withdraws from the scheme before retirement age. Unless he has other income, however, the chances are that the pension alone will not put him in a tax bracket.

In the United States, tax legislation has been established to cover the profit-sharing plan. In Canada, with no such legislation deferred profit-sharing plans are virtually non-existent for obvious reasons.

Charges of Discrimination

If it were a matter of bringing this type of deferred profit-sharing plan alone within the orbit of tax postponement, it seems probable that relief could be expected in the next budget. The stumbling block lies in the fact that it opens the door to further and even more justified charges of discrimination against the professional man or the salaried man who is outside either scheme.

So far, the Government has justified its pension plan tax policy on the ground that the money is tied up till retirement and cannot be withdrawn in a lump sum. It is admitted in some quarters however that this is a pretty thin line of principle.

Since there can obviously be no going back on the tax postponement on pension contributions, the possibility of tax postponements over a wider field of savings is likely to be reopened for study. This would almost inevitably mean reconsideration of the Silverson bond plan or some other type of tax exemption on purchase of Government securities. It would also mean consideration of the status of life insurance premiums.

Any move in broadening the base of tax postponements therefore means a reversal of the principle that income is taxable when it is transferred to savings and that the resulting capital increment is not taxable. This was one of the major objections to the compulsory savings plan during the war. The Government was taxing even this forced loan and the taxpayer lost out on the deal since tax levels had dropped before the loan was repaid.

FOR SALE

Building, approximately 100 ft. by 55 ft. Two and one-half stories with 8 ft. basement. In a thriving Central Maritime Town.

Apply to

Box No. 400, The Financial Post, Toronto

Capital Available

Advertiser desires contact with small manufacturer requiring additional capital or advertiser will purchase small business.

BOX 26, THE FINANCIAL POST, TORONTO.

DIVIDEND NOTICES

CANADA VARNISH COMPANY, LIMITED

DIVIDEND NOTICE
PREFERENCE SHARES

A dividend of Thirty-one and one-quarter Cents (31¼c) per share on the 5% Cumulative Redeemable Preference Shares of the Company has been declared for the three months ending October 1st, 1952, payable October 1st, 1952, to Shareholders of record September 18th, 1952.

By Order of the Board.

G. I. TAYLOR,
Secretary.

Toronto, Ontario,
September 8th, 1952.

DIVIDEND NOTICES

BIRD CONSTRUCTION COMPANY LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of Fifty (50c) cents per share as previously declared on the Company's outstanding Common shares, will be paid on September 30th, 1952, to shareholders on record on the books of the Company as at the close of business September 15th, 1952.

By Order of the Board.

JOHN LAWRIE,
Secretary-Treasurer.

Winnipeg, Manitoba,
September 5th, 1952.

MERSEY PAPER COMPANY LIMITED

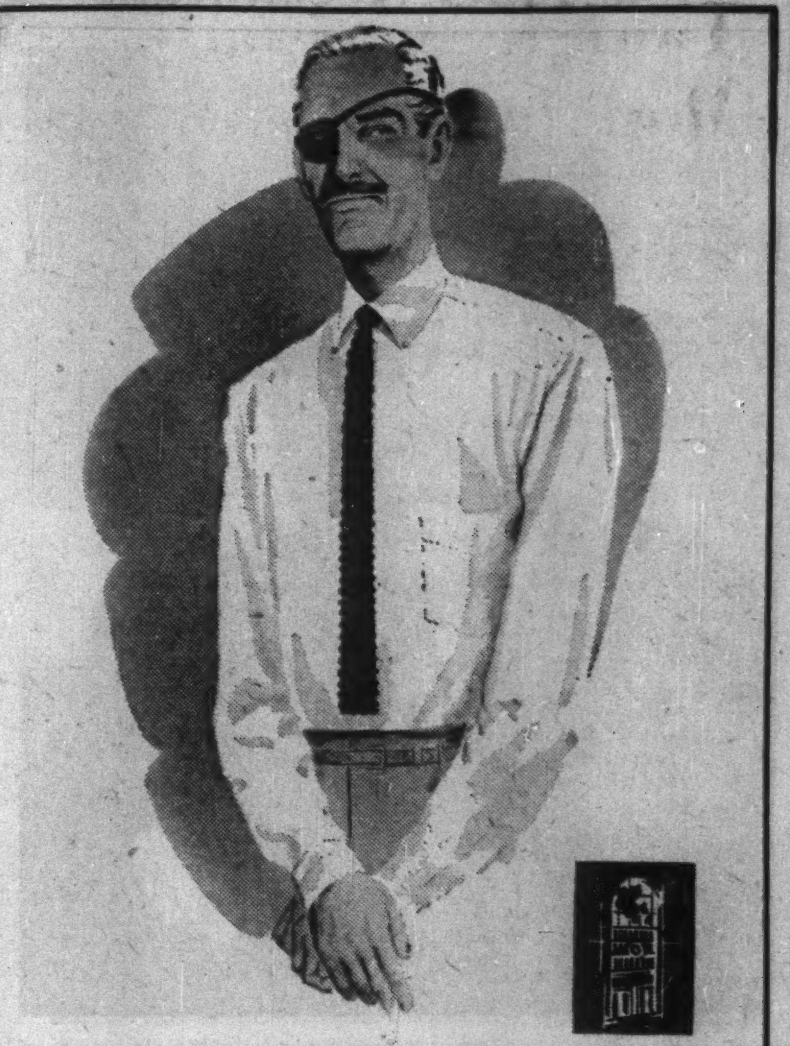
DIVIDEND NO. 1
PREFERENCE SHARES

NOTICE IS HEREBY GIVEN THAT a dividend of $1.25 per share on the Preference Shares of the Company has been declared payable on October 1st, 1952, to shareholders of record as at the close of business on September 20th, 1952.

By Order of the Board.

J. A. PARKER,
Secretary.

Liverpool, Nova Scotia,
September 4th, 1952.



THERE'S A NEW HATHAWAY SHIRT AT SIMPSON'S

(Hathaway shirts are exclusive with Simpson's in Canada)

Simpson's collection of these superb shirts is becoming more varied all the time! We show here the latest addition — the button-down collar in white matte weave Oxford Cloth. It's a luxurious shirt in the fine Hathaway tradition. Available in sizes 14 to 17, sleeves 32 to 36. Each 7.95.

Other Hathaways at 7.95:

Blue-and-white weave Oxford Cloth with button-down collar; and button cuffs.

White Batiste Madras with soft collar and button cuffs.

White Broadcloth with soft collar and French cuffs.

Simpson's
TORONTO

Phone and mail orders filled . . . TRinity 8111.

Simpson's West End Shop — The Store for Men — Street Floor.

FOR SALE OR LEASE

CENTRE OF STEEL INDUSTRY IN ONTARIO

27,000 square feet, modern one floor factory building for heavy industry. 27 feet crane height, 15 ton overhead crane, heavy boring mills, 33 feet planer. Railway siding into building. Separate bonded storage building. Also 11 acres land for future expansion. Possession January 1, 1953.

For information, write

BOX 31, THE FINANCIAL POST, TORONTO

MR. MANUFACTURER!

Seasonal Lines Wanted for this Winter

Our organisation, operating 50 branches covering all of the Province of Quebec and most of Ontario, employs over 100 outside salesmen and more than 100 inside salesmen.

Due to the nature of our business, our sales are at a low ebb during the winter months. We are therefore seeking the distribution of some winter lines to keep this keen sales force fully employed year around.

We might be able to help YOU while helping ourselves, so if you should need the use of our distribution set-up and the services of an outstanding sales force, might we suggest you write full particulars as to products involved, markets, gross profit margins, competition selling aids, etc.

Negotiations will be conducted on a strictly confidential basis.

BOX 30, THE FINANCIAL POST, TORONTO

CANADA'S FIRST BANK

"MY BANK"
TO A MILLION CANADIANS

B of M

BANK OF MONTREAL

WORKING WITH CANADIANS IN EVERY WALK OF LIFE SINCE 1817

Two U.K. Merchant Bankers Move Into Canadian Field

(Continued from page 1)

for sterling in London an existing Canadian interest which could be adapted to suit the requirements of the two firms," Sir Edward added.

Neither Sir Edward nor Mr. Smith would comment further on the transaction. One way it could have been done would be to buy in England for sterling all the shares of an English company which owned Canadian dollar assets located in Canada. From the sale of these assets Canadian dollars could be realized in Canada. For example: Toronto & London Investment Co. obtained its funds in this manner. (The Financial Post, Aug. 2.)

One of the hopes of Baring Brothers and Morgan Grenfell is that sometime in the future British capital can be brought to Canada. Through their latest move they would expect to be in a good position to help in its investment.

"Unfortunately the supply of dollars available is very limited so that the authorities are forced to restrict the transfer of funds drastically," Sir Edward said.

"Any number of English people would like to be able to invest funds in Canada. Large amounts of English capital would be readily available to help in Canada's growth if it were possible to obtain the Canadian dollars," he said.

Company History

Who are these two big English firms?

Baring was a Lutheran pastor in one of the Free Cities in Europe. His son started a cloth business in Devonshire and in 1760 the son sent his two sons to London to open an office. This office was moved in 1780 to the location which it still occupies. Sir Francis Baring was Pitt's chief financial adviser. The firm is allied with Hope & Co. of Amsterdam.

Baring's issued capital totals £2,050,000, consisting of 10,000 first preference shares, par £100; 5,000 "A" ordinary shares, par £5; and 5,000 "B" ordinary shares, par £5.

Directors of Baring Brothers, with their principal affiliations, are:

—**Sir Edward Peacock**, chairman. He is a director of Canadian Pacific Railway Co. and a Rhodes trustee. Prior to his resignation in 1950, he was on the committee of Hudson's Bay Co.

—**Hon. Arthur G. C. Villiers.**

—**Mr. Evelyn G. Baring.**

—**Sir Edward J. Reid** (whose mother was a Baring). He is a director of Provident Mutual Life Assurance Association and a member of the London Committee of Hong Kong & Shanghai Banking Corp.

—**Rt. Hon. Lord Ashburton** (a direct descendant of Baring). He is a director of Alliance Insurance Co. Ltd. and of Pressed Steel Co. Ltd.

—**C. G. H. Millis** (see above).

—**John G. Phillimore.** He is a director of Brazilian Traction, Light & Power Co. and of North British & Mercantile Insurance Co. Ltd.

—**Viscount Errington** (a Baring). He is a director of Royal Insurance Co. Ltd. and of Anglo-Newfoundland Development Co.

Sir Edward Peacock was born in 1871 in Glengarry County, Ont. After graduating from Queen's University he taught at Upper Canada College, Toronto, from 1895 to 1902 when he joined Dominion Securities Corp. in 1907, when that firm decided to open an office in London, England, he went over to set it up and then in 1908 he went over to stay there. In 1915 he left Dominion Securities and for nine years was concerned with the direction of Canada's three large foreign utilities — Brazilian Traction, Light & Power Co., Barcelona Traction, Light & Power Co., and Mexican Light & Power Co. In 1920 he was appointed a director of the Bank of England, the first Canadian to have the distinction. In 1924 he resigned his other positions to become a partner in Baring Brothers.

Company History

Morgan Grenfell & Co. was originally started about 1836 as Peabody & Co., by a Mr. Peabody who took in J. S. Morgan, an American who went to England as a partner. In the 1860's the name was changed to J. S. Morgan & Co. and again in 1912, as a result of a clause in J. S. Morgan's will, it was changed to Morgan Grenfell & Co. (Mr. Grenfell was one of the senior partners at that time.) J. S. Morgan's son went to the United States and started J. P. Morgan & Co., which acts as the firm's U. S. correspondents.

Morgan Grenfell's issued capital totals £1,500,000, consisting of £750,000 redeemable preferred shares and £750,000 ordinary shares, par £1.

Directors of Morgan Grenfell, with their principal affiliations, are:

—**Lord Bicester**, chairman. He is Governor of Royal Exchange Assurance Corp. and a director of Associated Electrical Industries Ltd.

—**Hon. R. H. Vivian Smith** (Lord Bicester's son). He is a director of Shell Transport & Trading Co., of Vickers Ltd. and of Mercantile Bank of India Ltd.

—**Lord Rennell** (Lord Bicester's son-in-law). He is a director of Sun Insurance Office Ltd. and of Sun Life Assurance Society, both of London, England.

—**W. W. H. Hill - Wood.** (See above.)

—**Viscount Harcourt** (grandson of a previous partner, Mr. Burns, who married J. P. Morgan's sister). He is vice-chairman of Legal & General Assurance Society Ltd. and a director of Gresham Life Assurance Society Ltd., and of Gresham Fire & Accident Insurance Society Ltd.

—**Sir George Erskine.** He is a director of Union-Castle Mail Steamship Co., Harrods Ltd., Investment Trust Corp. and London Maritime Investment Co. He is also deputy chairman of Navy, Army and Air Force Institutes.

The English merchant banking houses had their origin in firms that financed foreign trade. Broadly speaking, a merchant banker today is one which deals with foreign trade (both exports and imports) as opposed to the English joint stock banks which deal with internal trade. In addition they deal in foreign exchange, take deposits and have executor and trustee departments—the latter two being mainly incidental to their foreign trade business. Another important side of their business is the issue of securities.

Offices of these firms are usually referred to as a "counting house" because that is the old merchants' term. The actual shipping of merchandise has fallen off but financing the shipments and financing the carrying of various commodities such as rubber, tea, etc., have grown in importance.

Wheat Export Position Good, Strike Would Hit The Farmer

(Continued from page 1)

but it is estimated that a lakehead tie-up would have little effect on export movement even if it lasted as long as two months.

This favorable export position in itself is an important factor in the current dispute and could wield a strong influence in avoiding the strike.

Ottawa this week is cautiously hopeful that a settlement may be reached before the Monday deadline or at least that negotiations will be at such a stage that the date can be postponed. In some cases union leaders see advantage in doing their real bargaining after the men have been called off. There seems to be no disposition on the part of the Brotherhood of Railway and Steamship Clerks in this case to take that stand. Already the strike deadline has been advanced once to permit further talks.

One of the major stumbling blocks to settlement of the lakehead dispute has been the settlement obtained by the rival union in Vancouver which boosted basic wage rates to about $1.50 an hour, and provided maintenance of membership. The conciliation board in the lakehead dispute has recommended a wage rate of $1.37 and a reduction from a 48- to a 44-hour week. This represents a total increase of 25c an hour, nine cents of which is for the purpose of maintaining take home pay on the shorter week basis. The unions, in spite of a traditional differential between the lakehead and the west coast have been holding out for a settlement equal to that of Vancouver.

Is Ottawa Getting Ready to Open Doors to Jap Goods?

(Continued from page 1)

the General Agreement on Trade and Tariffs.

Effect of Statement

The Prime Minister, by putting up the reverse position, has not definitely closed the door on negotiations for retention of the right to impose arbitrary duty values. However, it is admitted here that his statement might weaken the Canadian position to bargain for such retention. His words are really a restatement of the GATT creed and he has backed them by pointing out that Japan must be able to maintain a supply of dollars in Canada if Canadian exporters are to retain the $73 millions yearly market for Canadian goods.

Ottawa has been receiving a number of strongly worded demands from Canadian manufacturers for retention of the arbitrary values and other curbs on any inflow of cheap Japanese goods. It has also been getting representations from exporters anxious to have a generous treaty concluded as a guarantee of their Japanese markets. So far, the exporters' representations seem to have outnumbered those calling for a tight rein on imports.

Extension of most favored nation tariffs with the complementary right to set arbitrary values is not a new policy. It would parallel closely the trade relations with Japan established by an exchange of notes which concluded the trade war in the 1930's. At that time, the continued right to use arbitrary value provision of the Customs Act was specified, though Japan obtained a modification which required reference of the issue to the Tariff Board if the Japanese considered the right was being abused.

The inclusion of the abolition of arbitrary values as an integral part of the Most Favored Nation treatment dates only from the Geneva agreement. In practice, Canada has extended it to all countries with which she has M.F.N. treaties whether or not they were GATT signatories. There is no obligation to include it however, except where the other party to the treaty is a member of GATT. There seems little likelihood that Japan will achieve that status for the present.

Is Canada To Build More Planes On U. K. License?

(Continued from page 1)

airliner in November for the Honolulu to Sydney run.

For the future, the U.K. aircraft industry drew the curtain on its gaunt four-jet delta shaped bomber and delta and swept-wing fighters. But it was in the sleek new silvered transports that Canadian interest lies.

Delivery Dates

The only hitch, as Canadian and U.S. prospective buyers have found out, is delivery. Possible delivery dates on jet transports are so far ahead that buyers have thought twice about placing orders. (Trans-Canada Air Lines, Pan American, Eastern and National Airlines as well as Canadian Pacific are all looking jetwise but only CPA so far have ordered any).

With speedy delivery the all-important factor for Canadian and U.S. buyers, the production of U.K. jet aircraft under license in North America may again be the answer, according to more than one industry spokesman here. The Comet is seriously being considered amongst others for production in Canada or the U.S.

(This is no new departure but would follow production of U.K. aircraft in Canada during World War II and production of U.K. engines in the U.S. Also both the Canberra twin-jet bomber and Sapphire jet engine, both U.K. designed, are now being produced in the U.S.).

What It Could Mean

Production of U.K. jet aircraft in Canada and the U. S. could mean to North America:

—Immense savings in time, money and skilled technicians in the development work which would otherwise have to be carried out.

—Speedy delivery of the latest jets to the airlines and air forces.

—Adaptation of U.K. aircraft to North American supplies of parts, standard fittings and components ensuring ready supplies of all materials for servicing and repairs.

For the U.K. such a plan could mean:

—A dollar income without the drain on strategic defense materials often costing dollars.

—Breathing space for the U.K. to concentrate on production of military aircraft, prototypes, domestic and other civil export needs without having to stretch plant facilities.

Here's how Canada's airlines and aircraft manufacturers look at the situation:

For Trans-Canada Air Lines the Vickers Viscount and the Bristol Britannia combine economy in operation with good range, payloads and speeds only slightly lower than that of pure jet aircraft such as the Comet. Both, as turboprop powered aircraft, are considered to be the natural economical intermediate stage aircraft between the standard piston engine and pure jet engine powered aircraft.

Also, both aircraft have seating capacity which would help relieve the passenger reservation congestion that now exists on many of the TCA services, according to TCA president McGregor.

"I like both aircraft very much indeed," said Mr. McGregor, "but delivery is the big snag.

"Although the new Britannia might be just right for us and we may have it one day, the far-off delivery dates quoted to me for the Viscount, a trickle in three or four years, puts us out of the market. We must start replacing the veteran DC3 by 1954 and something like a U.S. built Convair may have to be the answer.

"The only solution would be allying U.K. aircraft design to Canadian production. The U.K. is two years ahead in design but already two years behind on production. Production in Canada would bring closer for the U.K. the large North and South American markets."

Canadair's Plans

J. G. Notman, Canadair president, stated Canadair may quite possibly build the Bristol Britannia under license for marketing in Canada and the U.S.

"We've been looking around for another large transport to produce for a long time. The Britannia or a similar modification may be the answer to the RCAF and TCA demands for a new large transport. We've got the space to do it and the experience claimed in building the North Stars," said Mr. Notman. (Productionwise Canadair is understood to be one of the leaders in the world turning out 50 Sabre jets a month).

A large Canadair delegation is in England now in consultation with the Bristol Aeroplane Co.

To suit special RCAF requirements, the aircraft would undergo considerable modification to meet North American standards, supplies and materials. It is even contemplated that the present Bristol Proteus 3 power units may be replaced by a North American produced engine.

With a 25,000 lb. payload (100 seats), 5,550 mile maximum range and 360 mph cruising speed, no difficulty is expected in finding a market for the plane.

In spite of all the new type delta and swept wing fighters and bombers under production by the parent group of the A. V. Roe Canada Ltd., there's little likelihood of production of any of these UK types at the company's Malton plant.

However, it's learned here that the RCAF are now considering designs for a new swept wing or delta fighter to be produced by Avro to succeed their CF-100.

Out of close to 12 designs submitted to the RCAF, it's understood the number has been narrowed down to two and decision is expected soon at top RCAF level to start new development work at the Malton plant on a second Canadian jet fighter.

Sask. Hopes Given Boost

(Continued from page 1)

million cords of spruce and lies about 130 miles northeast of Prince Albert.

Additional resources attributes which might help to influence prospective pulpwood manufacturers are:

(1) Available potential water power; the resources department has earmarked at least seven water power locations along the Saskatchewan River which flows through the 20,000 square mile softwood stand. The Carrot River also cuts through the area.

(2) Other power sources; natural gas finds in the central region of the province may produce sufficient reserves of gas to allow wide-scale distribution, and oil and fuel oil reserves are developing from the province's increasing oil play.

(3) Sodium sulphate; five plants now are producing sodium sulphate salt, vital to the production of kraft papers. In 1950, (last available report) the province produced 133,235 tons of sodium sulphate.

The government also said that year-round delivery of logs from the woods by rail or road is available in Saskatchewan's north through a standing offer from the province's timber board to deliver wood to mill sites at agreed prices.

Four-Year-Old Survey

The current forestry survey was begun in 1948 with crews recruited by the Provincial Government and trained with the federal forestry service in Ottawa. The surveys include aerial photographs and ground sampling.

Mr. Brockelbank said about 60% of the survey is now completed. The inventory work has been done only in areas "within an economic distance of railway shipping points." In addition, one all-weather highway and a number of access roads now reach into the pulpwood areas.

Look For It Here

September 13, 1952

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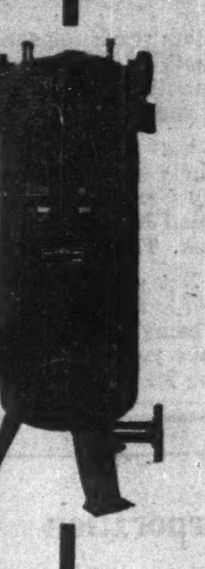

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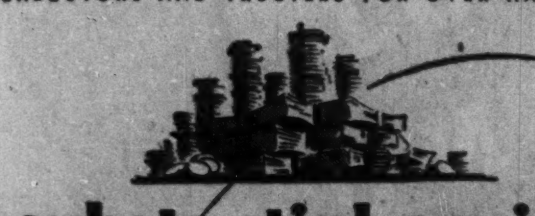

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INVESTMENTS THIS WEEK

Power Corp. Shows Progress Stock Under Equity Value

Investors searching for interesting situations this week turned their attention to Power Corp. of Canada common.

Sparking their interest were three facts obtainable from the company's annual report for the year ended June 30, 1952, released this week. They were:

(1) Net profit showed an increase for the tenth consecutive year, being up 12.6% from the previous year's net. It is at its highest level since 1931 and is 2½ times its wartime low of $745,509 in 1942-43.

(2) The equity value of the common stock is $54.44 a share — 65% higher than its current market price of $33 a share.

(3) The investment portfolio (see separate story), published for the first time since 1930, shows that the company is more than just a utility holding company. It has substantial other investments.

Financial circles have been expecting a good report. Power Corp. common's 1952 high of $34⅛ a share, recorded Aug. 6, was the highest the stock has reached since 1932 — a quarter of a point higher than its 1937 high of $33⅞ a share. Currently the stock is selling around $33 a share, reflecting the general uncertainty in the stock markets. It had a 1952 low of $29 a share, recorded May 20.

Last year's net profit of $1,857,027 was equivalent to earnings of $2.82 a common share after preferred dividends. At its current price the stock is selling at 11.7 times these earnings — not too high a times earnings ratio. It yields about 4.85% on the basis of its currently indicated $1.60 annual dividend rate. The dividend rate was covered 1¾ times last year — indicating a substantial safety margin.

No indication of future dividend policy — a factor that will affect the stock's action — is given by President A. J. Nesbitt in the annual report. On the basis of last year's earnings the rate could be increased. On the other hand, the company may wish to increase certain investments or purchase new investments. Some statement of policy would be welcomed by shareholders at the annual meeting on Sept. 26.

Power Corp. of Canada has long been regarded as primarily a utility holding, management and engineering company interested in the development of hydro-electric companies throughout Canada.

This year's report shows that its largest investment, based on market value, is $5,581,152 in Canadian Oil Companies. It represents 13.6% of the total market value of investments of $41,096,472.

Third largest investment also is not a public utility. It is $3,878,325 in Bathurst Power & Paper Co. — equal to 9.4% of the total.

Power Corp. controls through stock ownership East Kootenay Power Co., Northern British Columbia Power Co., Canada Northern Power Corp. (which in turn controls Northern Quebec Power Co.) and Super-Power Corp. of Canada (which controls Dominion Electric Protection Co.) It also holds an interest in British Columbia Power Corp., Winnipeg Electric Co., Foreign Power Securities Corp. and Southern Canada Power Co. (its second largest investment, based on market value). Holdings in subsidiary and affiliated hydro-electric and utility companies, including advances, still comprise over 51% of the total investments at market value.

The subsidiary and affiliated companies have shown a growth trend—a fact that is encouraging to investors. In the year ending June 30, 1952, the combined kwhr output of these companies showed an increase of over 3% from the previous year and number of customers was up 17,280. Possibilities of further development of power resources of these companies is indicated by their undeveloped sites capable of developing 813,599 hp. — over 71% of present installed capacity of 1,133,770 hp. This is not distributed evenly among the companies.

Total book value of all investments was $30,218,261 as at June 30, 1952 — up from $28,519,335 a year before. This indicates that Power Corp. is adding to its investments. Provided that the investment portfolio is published yearly from now on — which is desirable from investors' standpoint — it will be possible to trace future investment policy. The portfolio would actually be more helpful if it indicated also the actual securities held, in place of just the market value, but the fact that it is published is a progressive step, to be commended.

Based on the $41,096,472 market value of the investments, the common stock has an equity value of $54.44 a share. This is over four times the equity value of $12.68 a share at June 30, 1945.

Analysts note that in 1937 the stock had an equity value of about $20 a share and sold at $33⅞ a share — a premium over its break-up value. Currently at $33 a share it is selling at a substantial discount from its break-up value.

* * *

Expect World Bank To Offer Bonds In U. S. This Fall

The International Bank For Reconstruction & Development plans to sell $50 millions to $75 millions additional bonds in the United States this fall, President Eugene R. Black announced in Mexico. It now has $450 millions of bonds outstanding in the United States.

The offering is expected to be made through a nation-wide syndicate of 119 underwriters under the joint management of First Boston Corp. and Morgan Stanley & Co.

* * *

Call For Tenders On Manitoba Issue

Tenders were called for this week on a new issue of $15 millions Province of Manitoba 4% bonds of which $5 millions is to mature on Oct. 1, 1961, and $10 millions on Oct. 1, 1969.

Proceeds will be for Manitoba Power Commission, telephones and hydro-electric development.

Outstanding Manitoba 4% bonds due Feb. 15, 1962, are quoted at $99 bid to $100 asked to yield 4%, and 3% bonds due Oct. 1, 1967 are quoted $88 bid to $90 asked to yield 3.88%.

* * *

Oil Stocks Popular With U. S. Funds

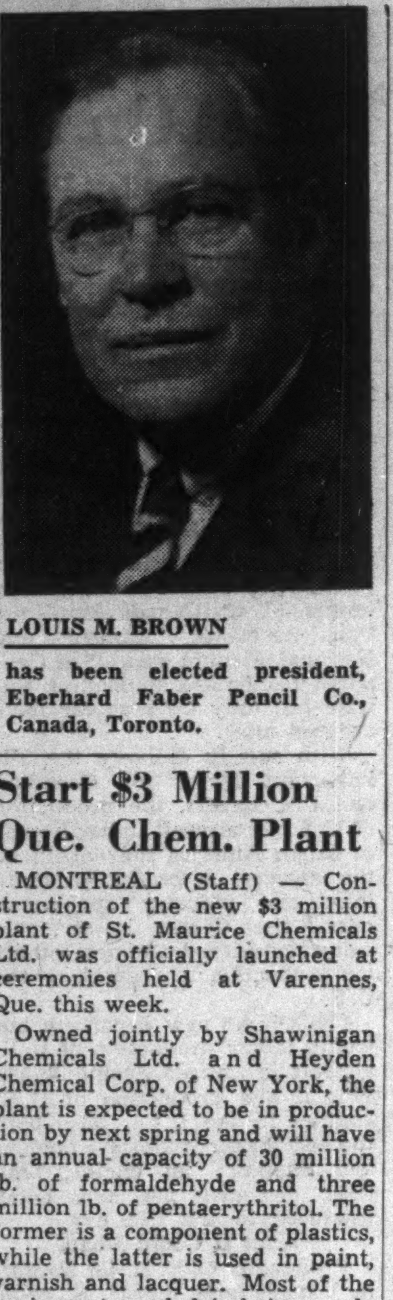
Oil shares are the favorite stock investment of endowments and foundations in the United States, The Exchange, magazine published by the New York Stock Exchange, notes. This is based on the reports of three of the largest charitable foundations and three prominent college endowments.

The six — Rockefeller Foundation, Carnegie Corp., The John & Mary R. Markle Foundation, Harvard, Princeton and Columbia Universities—held more oil company shares at the close of their latest fiscal years than any other type of stock.

There is apparently a wide diversity of opinion among these six funds on investments as tables showing the 10 largest common shareholdings of the six funds contain in all 43 common stocks. Only 15 of the 43 common stocks were owned by more than one of the six funds at the close of its latest fiscal year.

The individual share leader was Standard Oil Co. (New Jersey). Four of the six funds held a total of 2,211,457 shares of that stock. Of the 43 stocks, 16 were either shares of oil companies or enterprises engaged in one phase of the petroleum industry or another.

Utility shares ranked second to oils in popularity with the six funds.



LOUIS M. BROWN

has been elected president, Eberhard Faber Pencil Co., Canada, Toronto.

Start $3 Million Que. Chem. Plant

MONTREAL (Staff) — Construction of the new $3 million plant of St. Maurice Chemicals Ltd. was officially launched at ceremonies held at Varennes, Que. this week.

Owned jointly by Shawinigan Chemicals Ltd. and Heyden Chemical Corp. of New York, the plant is expected to be in production by next spring and will have an annual capacity of 30 million lb. of formaldehyde and three million lb. of pentaerythritol. The former is a component of plastics, while the latter is used in paint, varnish and lacquer. Most of the equipment needed is being made in Montreal.

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First Common Trust Fund To Start in Ont. Oct. 1

The first common trust fund — a plan to give small estates and trusts the investment advantages of larger estates and trusts — will be established in Ontario on Oct. 1, by Crown Trust Co.

A common trust fund is a pool in which monies belonging to individual estates and trusts are combined for investment. While the common trust fund is new in Ontario, similar funds have been in existence in the United States for over 20 years. At least 128 common trust funds are operated there, with total funds invested running over $838 millions.

Other trust companies in Ontario are continuing their study of the establishment and operation of common trust funds, but none are in a position to state exactly when they would be ready to go ahead. In view of the many problems involved in setting up common trust funds, companies are hesitant about proceeding too rapidly.

National Trust Co., for example, has set up a "pilot" fund on paper which it is operating in order to iron out possible bugs before setting up an actual operating fund. This firm won't be making any announcement until it is satisfied that all the bugs have been ironed out.

Open Trustee Fund

Crown Trust's fund will be open to the funds of estates, trusts and living trusts in which Crown Trust Co. is executor or trustee either alone or jointly. At present the company is making a survey of its estates and trusts to see which will participate in the fund. Actual size of this first fund is not yet known, although by law, it must have trust monies totaling at least $200,000.

This first fund will be a "trustee fund." That means that investments will be restricted to those authorized under the Trustee Act. At the start the fund is likely to be invested solely in various types of bonds in order to preserve liquidity. It is unlikely to include any mortgage investments.

Crown Trust Co. expects to start a discretionary fund a little later — possibly around the first of next year. This fund would have broader investment powers which enable investments to be made at the discretion of the trustee where so authorized by the will or trust agreement.

Crown's first fund is to be divided into units of a par value of $10 each. These units can be acquired or cashed in only on a quarterly due date starting from Oct. 1. Interest earned by the fund will be paid quarterly.

Authority for all trust companies carrying on business in Ontario to establish and operate common trust funds was given by the Ontario Government's 1950 amendment to its Loan and Trust Corporations Act (The Financial Post, May 20, 1950). First regulations governing the operation of such funds were passed in 1951 (The Financial Post, May 19, 1951) and companies have been studying the question since then.

Types of Funds

There are two types of common trust fund:

(1) The "restricted investments common trust fund" which consists only of securities authorized by law for trustees or set out in the will or trust agreement.

(2) The "discretionary common trust fund" which is comprised only of investments made on the discretion of the trustee where so authorized by the will or trust agreement.

A combination of the two would be possible in the setting up of a fund under which the trustee was authorized to invest only in securities eligible for investment by life insurance companies.

When the other Canadian companies announce plans, it is generally considered that they will start with the "restricted investments" fund.

Mortgage Investments

One question which is requiring considerable study is that of including mortgage investments in the common trust fund. Trust company officials say that there would be a considerable advantage to be able to include mortgage investments in such funds, but that it is unlikely that the first funds will include mortgage investments in view of the problems involved in handling them. Under the present regulations it is said almost prohibitive to include mortgages. (If a mortgage goes into default even one day it ties up the fund, one trust company official says.)

Under the regulations the fund shall not be established unless there are trust monies totaling at least $200,000 therein and until a written plan of operation for the fund has been submitted to and approved by Ontario's Registrar of Loan and Trust Corporations. Not more than 10% of the value of the fund may be held by any one trust and no interest in the fund may exceed $50,000.

Purpose of setting up such fund is to give small estates and trusts the investment advantages of the large trust funds, namely safety of principal, stability of income, diversification of risk and a satisfactory income yield. Trust companies will provide this extra service for estates and trusts at no extra cost. The companies however hope to achieve economies in their operations through use of these funds.

Beatty Bros. Sales Down Outlook Better

Dollar sales of Beatty Bros., Fergus, Ont., for the first 12 periods of the fiscal year (13 periods) which ended Aug. 30, 1952 were down about 6% from the comparable period of the previous fiscal year, Vice-President and General Manager G. E. Beatty tells The Financial Post.

The outlook currently, however, is quite bright in the appliance end of the business although the farm lines are slacker than a year ago.

In the appliance field, there were definite signs at all the various exhibitions where the company exhibited that the public is getting back to a buying mood and things are quite buoyant, Mr. Beatty said. Buying of farm lines was hit earlier this year by the hoof and mouth disease and the drop in beef prices, he said.

Production of appliances has been poor recently due to shortage of U.S. steel. Production of washing machines was shut down entirely for about four weeks due to a shortage of steel but is going again now. The company obtains the biggest part of its special drawing steels from the United States.

Currently, production is about in line with orders although there is some backlog in the appliance lines due to the steel situation which is still tight.

Employment is down only slightly from last year. There are about 630 employed in the Fergus plant as compared with about 675 a year ago. Another 200 people are employed in the offices.

Early this week union negotiations which had been under way since last May, were settled. Workers get a 5c an hour increase, part retroactive to May 1 and part from Sept. 1. The contract was signed for settlement as of Sept. 1 and is to run for a year from that date instead of from May 1.

Reflecting the lower sales and interrupted production, earnings for the fiscal year just ended will be lower than the net profit of $355,438 for the year ended Sept. 1, 1951 which was equivalent to 85c a common share. The net, however, was sufficient to cover the dividends paid during the year and the capital expenditures, which were below the level of the previous year.

During the last fiscal year, Beatty Bros. cut its common dividend rate twice — from 20c a share paid previously quarterly to 15c a share paid Jan. 2, 1952 and then to 10c a share paid April 1 and July 2, 1952.

Canada Iron Buys Electrical Firm

MONTREAL (Staff)—Acquisition of Electric Tamper & Equipment Co. of Canada, as a further step in its diversification program, was announced this week by Canada Iron Foundries Ltd.

Purchase of the new subsidiary's outstanding capital stock is being effected by issuance of 43,000 Canada Iron Foundries common shares, currently trading at about $23 a share.

Electric Tamper & Equipment presently operates two Montreal plants, making single and 3-phase motors ranging from ⅛ hp to 750 hp capacity, alternators and generators of similar range, and is one of the largest manufacturers of direct current motors and generators and special rotating electric equipment in Canada. It is also, the announcement states, the only Canadian producer of mechanical tamping equipment for the railways and vibrators for the placement of concrete.

Now under construction is a new plant in Lachine, containing 150,000 sq. ft. of floor space. It will house all manufacturing operations on completion late this year.

Electric Tamper will continue operating as an autonomous company and there will be no personnel changes, it's stated.

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Getting in Touch with the Market

Our latest "Review and Securities List" will enable investors who have been out of touch with the securities market during the summer months to review the developments which have taken place.

Business conditions are also discussed in this month's "Review" with statistical comparisons of salient factors relating to the level of business activity in Canada.

The "Review" contains a wide selection of attractive bonds, convertible debentures, preferred and common shares, which provide worthwhile investment opportunities.

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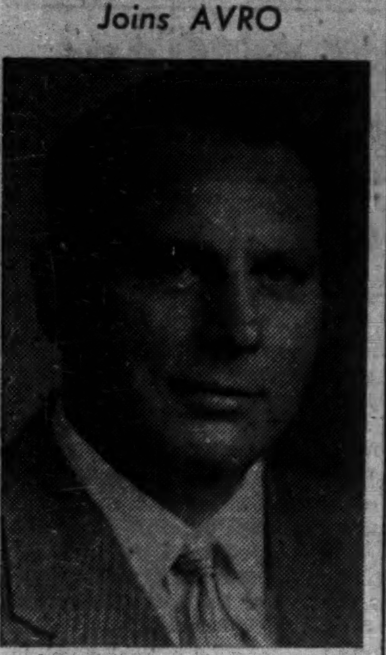

MR. RONALD WILLIAMS

Appointment of Mr. Ronald Williams as Assistant to the President of A. V. Roe Canada Limited was announced today by Mr. Crawford Gordon, Jr., President and General Manager of the Company. Mr. Williams is nationally-known for his writings on industrial relations as one of the senior editors of "The Financial Post."

*

New Plant To Make Aircraft Insulation

Manufacture of insulation products is to begin by Oct. 1 in a new plant at Guelph, Ont. Operated by H. I. Thompson Co., Canadian subsidiary of the U. S. corporation of the same name, factory will turn out Refrasil high temperature removable insulating blankets for jet aircraft and other industrial applications. Parent company manufactures insulation for the United States Air Force.

In addition to insulating blankets, company will produce Thermo-Cousti low temperature acoustical insulation, designed to insulate aircraft cabins and cockpit interiors against noise, heat and cold.

The Guelph plant will be staffed by Canadian personnel, a company spokesman stated. E. Ledingham has been named general manager.

Company announces that it will offer a complete engineering consultation service at no cost, for both aircraft and general industrial insulation problems.

CANADIAN PACIFIC RAILWAY CO. reports another 2,300 ordinary shares issued on conversion of its 3⅛% collateral trust bonds. Additional shares were listed on the Montreal Stock Exchange Sept. 3.

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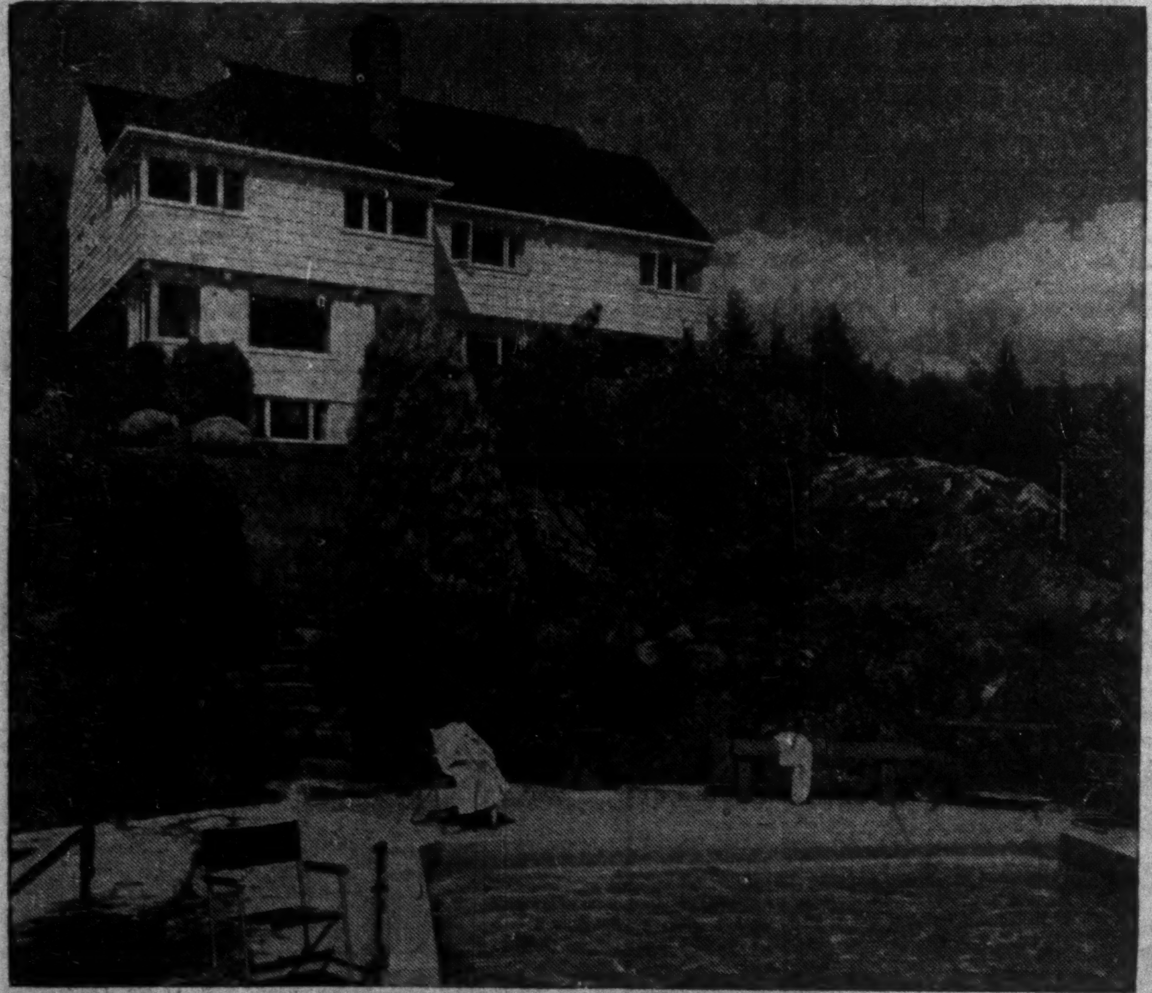

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MANAGED INVESTMENT

Compton Account Income Increased 14% in Year

Common stocks have risen from 63% to 78% of the Compton account's holdings during the past year, Compton's manager notes in a review of the portfolio's changes since Aug. 15, 1951.

During the 12 months following that date, investment income of the account rose 14%, while the cost of living in Canada advanced only 2%.

Compton's Manager Says:

During the past two months Joseph Compton has completed a number of "switches" which have altered, to some extent, the overall character of his investment portfolio.

The changes recorded during the two-month period are part of a "switching" program which Compton has undertaken in order that he might round out some of his investment holdings.

From July 2 — when the current switching operations commenced — to Aug. 15, Compton increased his investment holdings (book value) in pulp and paper securities by $842, in the base metal group by $597.75, and in the food group by $268.87.

At the same time, Compton lightened his holdings in the textile group by $944, in the steel group by $227.06, and in the general group by $176.50.

Looking back over the past 12 months, Compton has made changes in the main groups of securities, as the following percentage comparison of the book value of his investment holdings shows:

	— Aug. 15 — 1952 %	1951 %
Bonds	4.7	8.0
Preferred	17.3	28.9
Common	53.5	46.6
Mines—		
Base metals	18.2	9.9
Precious Metals	6.2	6.5
Cash	0.1	0.1
	100.0	100.0

Thus Compton's holdings in common stocks of all kinds now stand at 77.9% of his portfolio's book value. This compares with 63% a year ago.

As will be seen by the following table, Compton during the past year has, in the light of changing economic conditions, recorded some changes in some of the principal groups:

	— Aug. 15 — 1952 %	1951 %
Bonds	4.7	8.0
Merchandising	....	3.6
Textiles	6.1	12.9
Foods	9.1	7.8
Beverages & tobacco	7.2	5.7
Steel	7.1	6.6
Construction materials	4.3	4.6
Oils	3.1	3.3
Mines—		
Base metals	18.2	9.9
Precious metals	6.2	6.5
Transportation	0.8	0.9
Pulp & paper	21.2	20.3
Milling	3.5	3.9
General	6.5	5.9
Cash	0.1	0.1
Public utilities	1.9	....
	100.0	100.0

Principally, as a result of the switching operations during the past year, Compton's prospective annual investment income rose from $1,038.45 as at Aug. 15, 1951, to $1,183 as at Aug. 15, 1952. This is an increase of 14%.

During the same period the retail cost of living in Canada rose by 2%.

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Investment Portfolio Shown By Power Corp. of Canada

For the first time since 1930, Power Corp. of Canada has published in its annual report a list of the holdings in its investment portfolio.

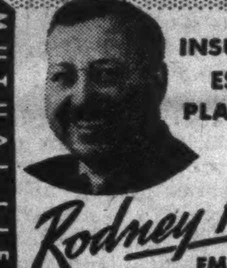
The company's largest single investment, based on market value, is in an industrial company—Canadian Oil Companies. The market value of its investment in this company of $5,581,182 represents 13.6% of the total market value of all its investments of $41,096,472 as at June 30, 1952.

Second largest investment, based on market value, is $4,906,840 in Southern Canada Power Co. This accounts for another 11.9% of the total market value of investments.

Third largest investment is $3,878,325 in Bathurst Power & Paper Co.

The list of investments as at June 30, 1952, as shown by the company, is as follows:

	Market or Est. Fair Value $
Basic Investments:	
B. C. Power	3,389,750
Can. North. Power	3,229,516
East Kootenay Power	1,581,634
South. Can. Power	4,906,840
Super-Power of Can.	1,346,158
Winnipeg Elec.	1,921,650
Bathurst Power & Paper	3,878,372
Can. Celanese	1,732,500
Can. Oil Companies	5,581,152
Foreign Power Securities	446,473
355 St. James St. West, Inc.	410,000
	28,423,998
Other Investments:	
Shawinigan W. & P.	1,140,750
Brazilian Traction, L. & P.	736,986
Anglo-Can. Oil	1,358,280
Royal Bank	892,500
Inter. Utilities	598,400
Frobisher, Ltd.	625,100
Can. Power & Paper Invest.	386,550
	5,738,566
Misc.—subject to variation	2,524,805
Advances to Subsid's	4,409,103
	41,096,472



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Tenders should reach the Mission before 12 p.m. on 24th September.

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said Gordon Sinclair
(In review of Canadian reporters at Conventions on CBC's "Critically Speaking.")
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SEPT. 15 ISSUE
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New Edmonton Stock Exchange Sells 65 Seats at $500 Each

Trading floor of Edmonton's Stock Exchange, sixth in Canada, will go into operation within the next few weeks, states Exchange President E. M. Duggan.

Remodeling of premises in the Thomson building, in the heart of Edmonton's financial district, is now almost complete. A modern board room, capable of handling over 100 stocks, will serve members.

Incorporated by special act of the Alberta Legislature in 1949, the new exchange was limited to 100 seats. Sixty-five have been sold — 15 more than the exchange originally proposed to sell, according to an announcement early this year. Membership is now closed.

Several seats are said to have changed hands already at double the price of $500 paid by charter members, although the exchange is not yet functioning. Membership comprises investment houses in all major financial centres in Canada, as well as in New York.

The board room, awaiting only installation of wire facilities, is to handle oils, mines and industrials. Mr. Duggan emphasized that the Edmonton Stock Exchange is ready to carry the growing traffic in industrial shares incidental to Alberta's industrial expansion.

Exchange and clearing house will both be managed by J. J. Collins.

Officers are Eric M. Duggan, president; Clayton L. Jackson, first vice-president; J. Logan president; Clayton L. Jackson, Sutherland, second vice-president; and Maurice D. Parry, secretary.

Directors are the above officers and John E. Sydie, Walter C. Jackson, Allan K. Snell, Harold F. LeMasurier, K. S. Langfeldt, and John M. Dillon, Jr.

Montreal Opens Big 'Show-Mart'

MONTREAL (Staff) — Montreal's Show-Mart, a large commercial exhibition building on Berri St., was officially opened this week.

Built by Show-Mart Investment Corp. and financed largely through a $1.3 million bond issue last year (The Financial Post, April 14, 1951), the new building has housed several exhibitions since the beginning of this year. The current metropolitan commercial exhibition is the first, however, since the structure was fully completed.

The present show includes exhibits of such varied manufactured products as washing machines, trucks, automobiles, hunting equipment and yachts. Fourteen shows have been booked for the coming months.

Two New US Issues Trade Steadily On Toronto Exchange

Of the five U. S. stocks listed on the Toronto Stock Exchange for the first time in 1952, two have taken their place as actively traded issues. The other three have evoked, by comparison, little interest among Canadian investors.

Stocks of General Motors, listed June 19, and General Dynamics, originally listed on Jan. 7 as Electric Boat Co., are the most active of the five U. S. "imports." Both issues have been traded virtually every day since listed.

Up until last Tuesday, 35,296 shares of General Dynamic's had been traded on the Toronto Stock Exchange, about two-thirds of the total being during the period when the stock was listed as Electric Boat Co. Volume of trading in General Motors shares amounted to 8,924.

Johns-Manville stock was traded on seven days from its listing on March 13 to early this week. A total of 345 shares of Standard Brands stock have changed hands since it appeared on the board on May 1. Only one transaction, involving 100 shares, has taken place in the stock of Pittsburgh Plate Glass since it was listed on the Toronto Stock Exchange on Aug. 20.

Short Position Lower on MSE

MONTREAL (Staff) — Short position on the Montreal Stock Exchange totaled 6,600 shares in 12 issues at Aug. 29, down from 7,913 shares in 13 issues two weeks earlier. Changes included:

Stock	Shares	Stock	Shares
Abitibi	—300	Cons. Smelt.	—155
B. P&P "B"	+100	Dom. Textile	—300
Braz. Trac.	—325	Imperial Oil	+100
Bulolo Glod	—358	Royalite	—200

On the Montreal Curb Market, a short position of 33,185 shares in 31 issues was shown, up slightly from 32,720 shares in 29 issues at August 15. Changes included:

Stock	Shares	Stock	Shares
Ankeno	—3,500	Gr. Lk. Paper	+600
Carnegie	+5,600	Gunnar Gld	+2,000
Celta. Dev.	+1,000	Sherritt-G.	—700
Dom. Asb.	+700	Utd. Asb.	—4,300

Actual short positions were:

MONTREAL STOCK EXCHANGE

Companies	Shares	Companies	Shares
Abitibi	900	Massey Harris	125
B. P&P "B"	100	Ogilvie Flour	100
C.P.R.	375	Price Bros.	600
Cons. Smelt.	300	Royalite	100
Famous Play.	250	Triad Oil	2,500
Hudson Bay	1,000		
Imperial Oil	250	12 Issues	6,600 shs.

MONTREAL CURB MARKET

Companies	Shares	Companies	Shares
Anacon	700	Gt. Lk. Paper	600
Anglo-A. Dev.	500	Gunnar Gold	2,000
Ascot	3,800	MacLeod Cock.	200
Brown	150	New Calumet	100
Campbell Chib.	300	Normetal	200
Carnegie	6,800	Pacific Pete	300
Cassair Asb.	100	Que. Labr'dor	1,000
Celta Dev.	2,000	Que. Manitou	300
Cent. Explor.	100	Stowell Screw	135
Cent. Leduc	500	Tri-Tor	800
Cons. Cord. O.	200	Sherritt-G.	1,200
Cons. Paper	1,550	Utd. Asb.	3,350
Dom. Asb.	1,000	Utd. Keno	100
Donalda	2,000	West. Homst'd	200
East Malartic	300		
East Sullivan	1,200	31 Issues	33,185 shs.
Emerald Glac.	1,800		

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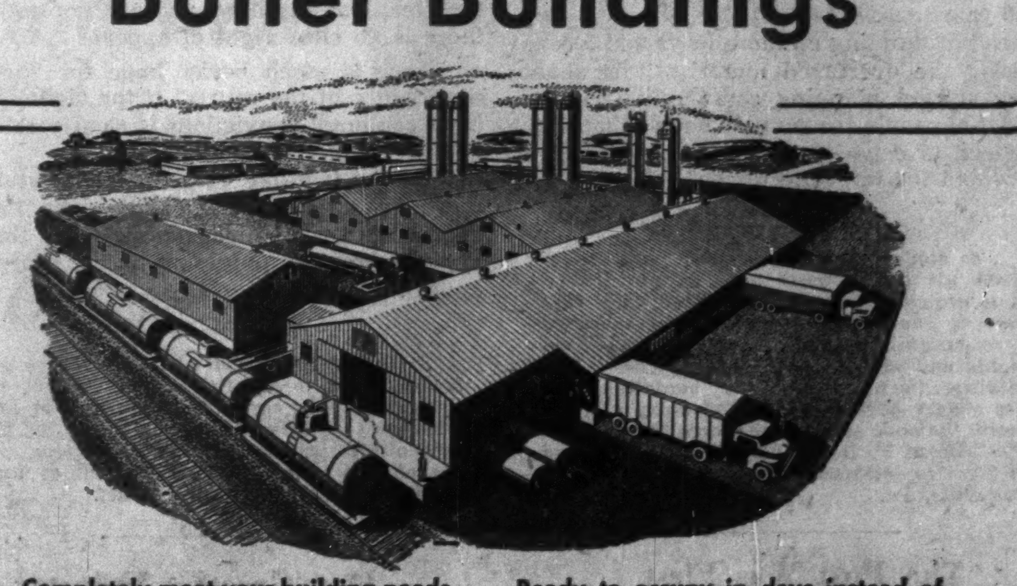

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The Editorial Page

We Can Retire Too Soon

Women office employees of Prudential Insurance Co. of America no longer must retire at 60. They can do so then if they prefer under a new arrangement, but the normal limit has now been raised to 65 years, the same as for men. "Our company has found that many women do not want to give up their positions when they reach 60," explains Robert M. Green, vice-president of Canadian operations. "They are in good health, mentally alert and interested in keeping busy."

It's a safe bet that many other large companies are going to reconsider their retirement policies. Our economy simply cannot afford to have everyone stop working at 60 even perhaps 65 or at 70. We may well discover there are not enough people left to produce the real goods and food we need and to operate essential services. If we even approach that point costs of production will rise so quickly and so steeply that soaring living costs will force many who have retired to go back to work. Already in the past few years we have had a taste of that sort of thing.

And there are other sound reasons for proceeding cautiously in this business.

For a great many people compulsory retirement at a certain age could be almost as inhuman as compulsory labor after that age. Not all of us want to lie in hammocks, paint or travel. Many would prefer to work, not necessarily full time, but for at least a few hours a day. Moreover, as a nation, we are getting older but we are also getting healthier.

We all know plenty of men and women who are just as fit at 65, 70 and even 75 as were their grandfathers at 45 and 50. With modern machinery, most jobs require far less physical effort than was the case a generation ago. Even in our heaviest industries there are all sorts of jobs that call for hardly more exertion than is used in running a typewriter or adding machine.

Man to Man

Canadian businessmen take for granted the ease with which they can solve many of their problems, informally by a casual chat or a long-distance call. They also take for granted the welcome mats which our federal and provincial governments put out for them.

Much of this country's business and business-government relations are negotiated on a person-to-person level. Fortunately our country has not become impersonal either in its business or in its government as it is in so many other countries. Yet at the same time, integrity in such dealings is just taken for granted.

It is probably because of these facts that a significant side of last week's Ontario tax agreement was overlooked by many Canadians.

While conferences over the years no doubt paved the way, it was "Les" Frost's and "Doug" Abbott's getting together which closed the deal. As the Canadian Tax Foundation's Harvey Perry said to The Post, the agreement is ". . . tangible evidence of the firm accomplishment that is possible in federal-provincial relations when political tensions are removed . . . the essential ingredient for progress in federal-provincial relations is not good advice but goodwill."

Let us hope that this cordiality, this putting of problems ahead of personalities and politics continues in our country's dealings.

"If there is going to be peace all over the world, there has got to be a reasonable degree of comfort for people everywhere—" Prime Minister St. Laurent.

This Fee Too High Now

In hunting around for funds to build a new road to ease Toronto's perpetual traffic jumble one of the city's controllers came up with this suggestion: "The motor vehicles fee could be increased," he said. "It hasn't been raised in years, yet everything else has gone up."

As an argument that carries about as much weight as a feather in a windstorm. Raise the price simply because it hasn't been raised before.

The actual cost of registering a motor car can be no more than a dollar or so and anything more than that is pure gravy for the provincial tax authorities. The registration fee is not supposed to be a charge for using the roads—the 25-30% gas tax is the tool intended for that — and it would form a most unfair basis for any such purpose. Actually there is little excuse for any difference in the price of the registration fee. It costs just as much to keep track of the ownership of the smallest vehicle as the biggest. Moreover, with modern office methods and equipment it should be far less expensive to register a vehicle today than it was 25 or 30 years ago.

Instead of thinking up more ways and means of milking the overtaxed motorist it is about time we started planning some relief. If we don't a lot of people are going to decide that they can't afford to drive cars any longer and then where would the tax collector be?

". . . as evidence of the creeping paralysis of Socialism we can witness here in the United States a growth of the misconceived idea that government should assume more and more of those responsibilities which have always been the rights and obligations of individuals. The collectivists, the planners, the muddle-headed welfare staters have been carving away at freedom, with the hope of ultimately creating a master state."—Clifford F. Hood, Vice-President, United States Steel to graduating class of Thiel College at Greenville, Pa.

The Post Was First

There was a time when subscribers, advertisers and publishers had no proof of a newspaper's circulation, the occupations of its subscribers, where they live, whether they renew their subscriptions and other vital facts which show whether or not the public thinks a newspaper or magazine is doing a useful job.

A group of publishers and advertisers formed the Audit Bureau of Circulations, (A.B.C.) in 1914 to assemble and authenticate these facts. This October the organization holds its thirty-eighth annual meeting. A.B.C. is a self-regulatory body which protects the general public, the advertiser and the publisher against fraudulent claims by any publisher member. Auditors from the Bureau make semi-annual audits of the circulation records of each member publication and these facts are made available to all.

The Post is proud that it was the first financial paper in the world to join A.B.C. Today many of the leading financial papers on the continent are members.

"No one anywhere can escape oppressive taxation in these times." — St. Catharines Standard.

The Real Limit on Wages

After a fortnight of negotiations, AFL labor unions covering the greater part of Ontario's forest industries have signed their seventh consecutive annual contract with employers. This last one, however, is noteworthy because it does not call for any general wage increase at a time when increasing costs again are threatening to upset our economic apple cart. Some of the other labor unions who seem to think that there is no end to up and no danger in pushing wages higher and higher might well heed the wise decision reached in this case.

Fellow workers in the forest industries of British Columbia, it is hoped, will note this agreement particularly. On the west coast, despite repeated warnings, wage increases have been piled on wage increases with hardly any pause or concern.

As a result producers in B.C.'s biggest industries are finding themselves priced out of world markets at the very time they need new markets more than ever before.

Eventually all labor unions must learn, as these Ontario AFL unions have already learned, that there are three vital parties concerned in industry, not just capital and labor. The third party is the consumer or buyer of the products produced. If costs are permitted to push prices up beyond what the consumer is willing to pay or beyond the price of similar goods from another source, then it doesn't make much difference how high wage rates are set because employment will evaporate.

"I am not one who believes that everyone wants or needs a university education." — Hon. Tilly Rolston, new S.C. Minister of Education in B. C.

The Right of Appeal

Judging by the brief discussion at the Canadian Bar Association meeting last week, there is at least some doubt in legal circles whether the existing laws do not permit appeal in contempt of court decisions. That matter should be cleared up without delay and if it is found that there is no provision for appeal, then the law should be changed and changed promptly. It should not be necessary to wait until the Bar Association brings in a report a year or more hence.

No man and no judge is infallible and there is no more reason today why there should be no appeal in contempt cases than in any others. Our whole system of democratic law has been built up on the basis that every conviction up to the highest court should be open to challenge; that no party should be punished without the right of appeal.

Within recent months contempt of court cases have been coming up more frequently. Newspapers in Montreal, Windsor and Ottawa have all been victims. Every newsman is well versed in the law of contempt—in its normal or usual application—but in all three recent cases, the charge took them by surprise.

The present situation is, literally, that a hilarious, vain or bemused judge can convict anybody in his court for anything he doesn't like—an after lunch hiccough, a loud tie or no tie—yes, just anything, and at the present time, there is no clear right of appeal.

There is much better hope for "protecting the dignity of the courts" if the right of appeal from contempt convictions is clearly established and frequently used.

Anyone familiar with the courts knows that there are quite a few judges who have odd quirks or an overbearing sense of their own importance. The public needs the protection of appeal.

"From the viewpoint of Ottawa there is some tendency to forget that sound liberal policies come relatively easily to a country so buoyant, with such vast resources to develop, as Canada; difficulties such as Britain has to face multiply the obstacles to liberalism as well as the need for it." — The London Economist.

Our Greatest Industry

The gullible people who used to think that dollars grew on trees were not so far wrong after all—just a little twisted in the way they used the words. The actual truth is that trees grow into dollars and into a staggering sum in dollars every year in Canada.

In this issue The Financial Post takes a look at Canada's pulp and paper industry. It is the country's biggest—the biggest employer of labor, the biggest payer of wages, the biggest exporter.

The pulp and paper production of Canada is one of "the world's major industrial enterprises." And if its leaders are prudent and farsighted, there is no reason why it cannot remain that way, for trees, like wheat and hay and other crops, will, if given a chance, replace themselves as harvested.

The postwar sellers' market in pulp and paper is passing, has actually passed in fact for some lines in the industry. Expansion in new mills and extension may taper off a little, the search for new markets may have to be pressed in the coming months. But the long view of this industry, Post observers find, is just as bright as ever. Here are the basic reasons:

In two decades consumption in the United States (by far the largest single market) has tripled and is still climbing. In Canada the trend is the same.

Overseas, however, per capita use is not one quarter that of the New World. In Asia it is almost nil. Potentially, the world market for pulp and paper has hardly been scratched, and Canada is one of the world's greatest and most efficient producers.

Napier Moore's

Scratch Pad

SO FAR AS our contacts with the lighter side of business and finance are concerned, we've had a pretty barren week. We've found nothing to laugh at at all. It's in grim moments such as this that we get morose and think about such things as golf. But here again we just haven't got round to finding out whether Bing Crosby's cancellation of his entry in the recent Canadian amateur golf tournament reduced the gallery as sharply as was expected.

Crosby doesn't sing while he's playing, of course. He is a good golfer, a likeable fellow. And every now and then something happens to him which makes a gallery gasp. For instance, he nearly created an international furore a couple of years ago when he drove his tee-shot into a gopher hole on Jasper Park Lodge golf course. The hole was just off the fairway. He couldn't lift the ball and drop it because the ball had disappeared. The committee finally allowed him to drop another ball without penalty but some chaps from Seattle claimed they didn't play the rules that way in their town.

The legal problem he posed was a trifling one compared to the situation that developed when John L. Stewart, a partner in the Toronto legal firm of Fraser, Beatty, Tucker, McIntosh & Stewart, was playing a 36-hole medal round at Lake Simcoe's Eastbourn course. He had a long putt. His opponent kindly volunteered to hold the stick. The ball came straight for the hole and seemed destined for a point several feet beyond. The opponent lifted the stick and, in doing so, lifted the metal cup right out of the hole. At the exact instant when the ball was going over the hole, the cup fell off and neatly trapped the ball in the hole, below the cup.

The opponent claimed that Stewart should be assessed two strokes penalty under rule 34 (3a) which says that if the ball is lying within 20 yards of the hole, is played and strikes or is stopped by the flagstick, the player is subject to a penalty of two strokes. Stewart said he had not hit any flagstick. Moreover, he pointed to rule 35 (1g) which says "any player or caddie engaged in the match may stand at the hole, but no player or caddie may take any action to influence the movement of the ball. Penalty: two strokes." If anybody was to be penalized it should be the opponent.

The committee decided that the rules did not seem to cover the situation and they let the putt stand with no penalties against anyone.

* * *

IN THE QUARTERLY ISSUE of Statistical Review of Press Advertising, a U. K. publication, Chairman Jesse Scott reports on his recent visit to the Continent:

"At Cologne, we stopped to have a look once again at the famous Gothic cathedral . . . While my wife went off to light a few candles to her favorite Saint, I sat in the nave facing the high altar meditating upon the evils of my ways. I noticed a young fellow sitting nearby completely bent over, obviously deeply engrossed in making peace with his God. In fact he stayed in this inclined position so long that I became curious. I decided to have a look at him. As I left my seat, I walked down the aisle toward where he was sitting and had a good look. What do you think he was doing? Cutting his toenails."

* * *

SCRATCH PAD'S story of how Ontario's premier, speaking at a luncheon celebrating the launching of a British American Oil Company tanker, insisted on congratulating Imperial Oil, reminded the village clerk of Elmvale, Ont., Miss A. Burton, of a similar happening at Penetanguishene a few weeks ago. The mayor, introducing John Fisher to a large gathering, referred to the coming re-opening of an old militia landmark in Penetang. He informed the audience that the Prime Minister, the Rt. Honorable Mackenzie King would be present. There was laughter. The mayor looked mystified, but continued with his speech and again referred to the late Mr. King. There were renewed sniggers. The mayor turned to someone on the platform and obviously enquired what was going wrong. Again the mayor faced the audience. And again he referred to the impending visit of Mackenzie King.

As we said in reporting the Premier Frost incident, no matter how experienced a speaker may be there will come a horrible moment when, fully conscious that his tongue has slipped, he'll repeat the slip. It's an awful feeling.

* * *

THE CANADIAN Weekly Newspapers Association held its 33rd annual convention at St. Andrews, N.B. last week, and we're interested in a passage in the report of the judges in the Better Newspapers Competitions. It says:

"On a tired, very tired Wednesday or Thursday evening, you wonder if it is worth it, this business of publishing a newspaper . . . until you realize that you and your staff are constructing something each week which, like the silver medallion, outlives the state, something which is much greater than you, something which is more enduring than your own life."

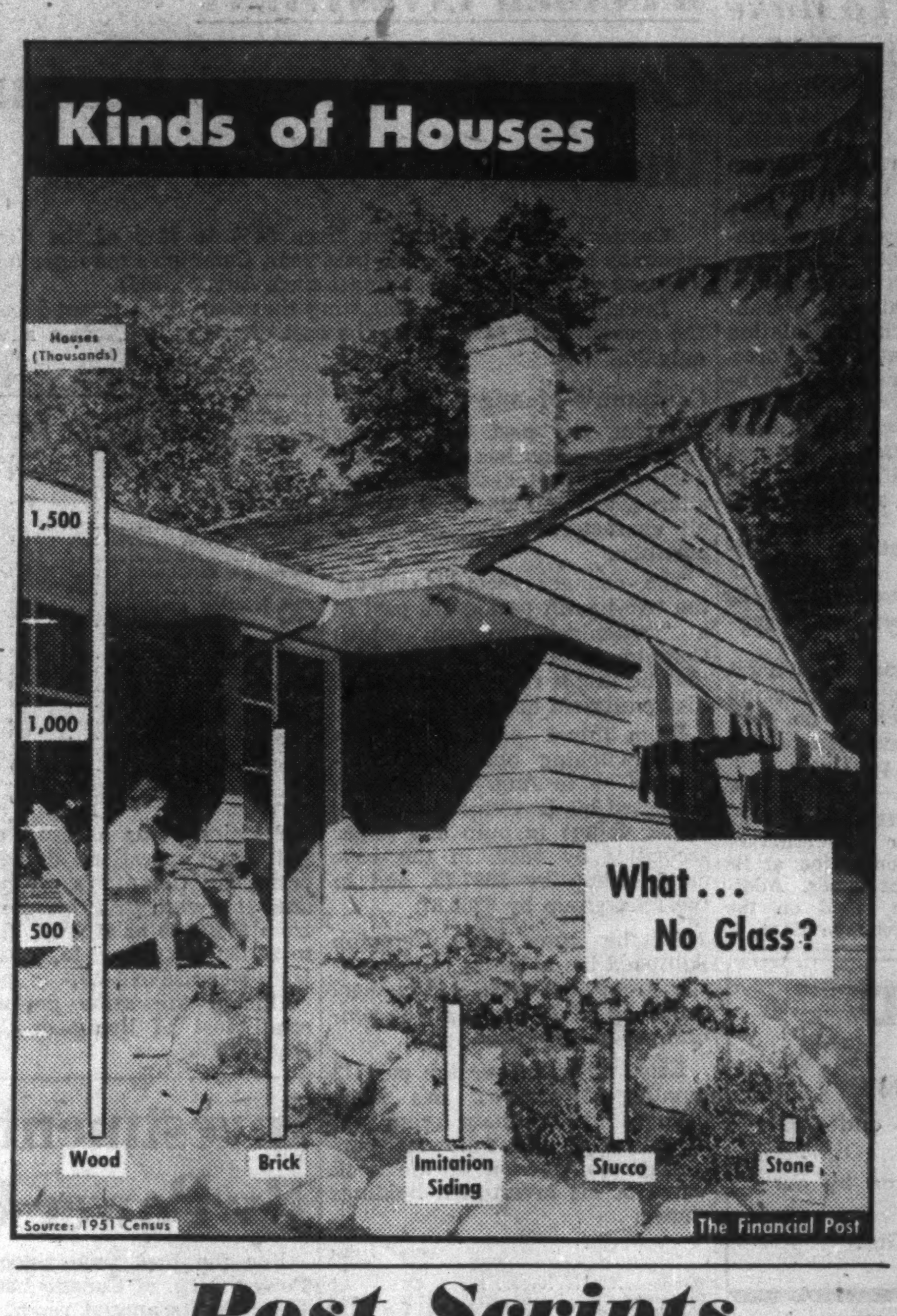
On a tired, very tired Wednesday we're going to pass this round to our colleagues on The Financial Post.

Stop Me If

"Well, Mike, how are ye these days?"

"Bad, mighty bad, sure; 'tis starvation staring me in the face."

"Begorra! It can't be very pleasant for either of yez!"



Source: 1951 Census

The Financial Post

Post Scripts

Bankers' Spokesman

Recently appointed Public Relations Adviser of the Canadian Bankers' Association is youthful, 48-year old John Frederick Sanderson, a former newspaperman who has been with the Association for almost nine years.

MR. SANDERSON

As public relations chief, Sanderson handles the Association's campaign aimed at explaining what he calls "the world's finest banking system" to the public. His ammunition includes films shown to school children across the country, books and other literature of various kinds, and an advertising program. Through his efforts, Canadians are learning more about how their banks operate and the services they provide and are being persuaded to make better use of them. The campaign was first launched back in 1936 by the late Vernon Knowles.

Before entering public relations work as Knowles' assistant in 1936, Sanderson had been a newspaperman for over 17 years, covering many of the major news stories of the 1930's and early 1940's. He was born in St. Marys, Ont., near Stratford, and, after completing his schooling at Ridley College, worked for two years in the printing and advertising business in Toronto. In 1926, he joined the old London Advertiser as a reporter, leaving four years later to work for Canadian Press. After covering one session of the Ontario Legislature for CP, he was assigned to the Ottawa Press Gallery and in 1938 was shifted to the London, Eng., bureau. He was moved to New York for six months in 1941, and then to Washington in time to cover the outbreak of war with Japan. He remained in Washington until December, 1943.

Sanderson married the former Doris Hodgins of Moosomin, Sask., in 1929. They have two sons, aged 17 and 15, and a daughter, aged 21. For hobbies, he fishes and collects books, particularly on Canada.

* * *

Moves Up With GM

One of Canada's greatest boosters got a boost himself the other day when General Motors of Canada announced the appointment of E. J. Umphrey, as vice-president. He will continue to direct all GM sales and advertising.

Jeff Umphrey's grin, firm handclasp and searching eyes are known to practically everybody in Canada's automotive industry. He is one of TCA's steadiest customers for his job takes him constantly back and forth across the country conferring with executives in five sales zones, speaking to groups of 1,200 dealers and salesmen, spotting business trends and generating enthusiasm.

MR. UMPHREY

He is one of the busiest men in Canada and yet he manages to create the illusion that he has all the time in the world for the visitor to his office. He is an able speaker and yet he seldom makes speeches outside GM gatherings.

Back in 1919—after St. John's College, in Winnipeg he was an office-boy for Canadian Fairbanks-Morse when he heard that the Chevrolet Motor Co. was transferring its offices from Regina to Winnipeg. So he wrote a letter of application and got the job.

Jeff Umphrey liked the automobile business from the start and it liked him. He spent his first few years with the company in Winnipeg and then in 1925 was made a district manager for Southern Saskatchewan. Two years later he was back in Winnipeg as sales promotion manager for Western Canada. GM brought him to Oshawa and made him assistant general sales manager in 1937. He became general sales manager for the former Chevrolet-Oldsmobile Division in 1940, and director of sales in 1942.

When Umphrey joined GM, annual production was only a few score thousand. Last year, Oshawa built approximately 185,000 units.

On week ends and the occasional free day Umphrey heads for Merryland Farm, the 100 acres place he bought some years ago near Orillia in Ontario's Simcoe County. And there, for a man who has done his best to put them off the road, Jeff shows a great affection for horses. It goes back to the farm near Miami, Manitoba, where he was born. His father, J. Wesley Umphrey, took much pride in his splendid string of fine horses used for farming and road contracting. Jeff Umphrey inherited that affection. He shows his horses (standard bred trotters and pacers) at Oshawa Fair — and other shows throughout southern Ontario.

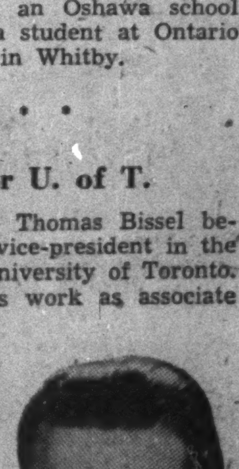
Mrs. Umphrey is the former Hilda Mansell and they were married in Winnipeg 28 years ago. They have two boys and two girls. The Umphrey sons share their father's enthusiasm for the automobile business. The eldest, Jack is on the staff of one of Toronto's largest dealerships. Ronald is with General Exchange insurance Corporation, which handles much of the GM's insurance business.

Eldest daughter June teaches grade one students in an Oshawa school and Shirley is a student at Ontario Ladies' College, in Whitby.

* * *

V.P. For U. of T.

At 36, Claude Thomas Bissel becomes the first vice-president in the history of the University of Toronto. He continues his work as associate professor of English at University College.



MR. BISSEL

The new post of vice-president is not intended to change U. of T.'s tradition of personal relationship between faculty and president. But with the growth of the institution, President Sidney Smith felt that some delegation of authority was necessary.

Bissel graduated from U. of T. in 1936; received an M.A. a year later, and a Ph.D. in English and philosophy from Cornell in 1940. For a year he instructed English at Cornell, then returned to Toronto as a lecturer. During the last war he was a captain with the Argyll and Sutherland Highlanders throughout the campaign in Northwest Europe, as platoon commander and intelligence officer, then as adjutant.

The new vice-president was born in Meaford, a picturesque small town on Georgian Bay in Ontario. He attended Toronto schools; entered university from Runnymede Collegiate on a scholarship. In college he edited "The Undergraduate," a literary publication, and for three years played lacrosse for University College.

His wife is from Lanarkshire, Scotland. They have one child.

What Others Are Saying

Editorial of the Week

They're Not D.P.'s

Delhi (Ont.) News-Record

One hears murmurings across the land on the part of some Canadians that those D.P.'s are taking jobs that rightfully belong to native-born men and women. Such an attitude merely indicates superficial thinking from a selfish point of view.

It is true, perhaps, that there are individual, perhaps isolated, cases of newcomers from Europe or other parts of this continent obtaining jobs that Canadians might well regard as theirs. But in the nation-wide picture the fact is that the more new Canadians arrive in our land, the more jobs there will be, for these men and women and their families require food and housing and, in time, all the other things that Canadians today regard as necessities.

The very term Displaced Person has come, unfortunately, to have a tinge of disappropriation. It is time it was dropped in referring to people from other lands who come to Canada to make their homes.

Looking back a bit in our history, we find that Canada as we know it was built by men and women from old lands of Europe and Asia. And Canadians today who look askance at the arrival of immigrants forget that they, too, are the descendants of earlier D.P.'s.

Newcomers are bringing with them to our land new skills, new ideas, a willingness to work hard, an ardent desire to participate in the freedoms and opportunities for development that are ours.

Canadians must welcome them, help them to become assimilated. And Canada must have millions more to people our vast empty spaces and to help us build a great nation in the northern part of this continent.

But let's stop calling these new citizens D.P.'s; let's call them what they are, new Canadians.

Other People's Views

IT'S GOING TO BE a tough job to sell this year's big crop of wheat, warns the **Estevan (Sask.) Mercury.** "Much of the new crop threshed will not have a chance to get into local elevators until many months have passed. There are those pessimistic enough to say that a great deal of it will still be on the farm by the time the 1953 crop is being harvested. The full effect of the economic benefits from this bumper 1953 crop is going to be a long-drawn-out affair."

* * *

MANY RURAL FAIRS are now well over the century mark, but, observes the **Sherbrooke Record,** they are brought right up to date "through exhibits from modern farms and factories, adding to the knowledge and enjoyment of rural and urban folk alike."

* * *

BRITAIN'S RECORD FLIGHT of a Canberra jet across the Atlantic and back is noted by the **St. John's (Nfld.) Evening Telegram.** The British "have gained a long start over other countries operating on the world airlines. Yielding the blue ribbon of the seas to America as a result of the record Atlantic crossing of the liner 'United States,' Britain can be said to have attained the blue ribbon of the air."

* * *

NO ONE LIKES license fees for radio, nor will they like TV fees, says the **Milton (Ont.) Canadian Champion.** "But they do serve as a reminder that when governments go into any business they must collect their revenues directly from the people. . . You can't have government service without taxes and we might as well get the understanding from the start."

* * *

FEW CANADIANS KNOW that directly and indirectly the forests generate a quarter of the income of all Canadians, says the **Orillia (Ont.) Packet and Times.** "Every day, throughout the year, some $6 millions of new wealth for all Canada flows from products which had their origin in the timberlands. . . Privately-owned forests cover less than 1/13th of the total forest area."

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LABOR ROUNDUP

By TREVOR LLOYD

Goal of the Guaranteed Annual Wage To be Set by CCL Convention Soon?

It begins to look more and more as though labor's next major goal in Canada will be the guaranteed annual wage.

Two signs:

—Walter Reuther, international head of the United Automobile Workers of America, made the statement in his Labor Day speech. And coming from Reuther, such a statement is likely to mean a lot. It's the UAW that has led the field in many of the major gains made by labor in recent years. Most recent: establishment of a union for retired UAW members.

—Various UAW locals are reported to have presented resolutions to the executive committee for presentation at the coming national CCL convention in Toronto (Sept. 22-26). If such a resolution is passed by the convention, the demand for the guaranteed annual wage would become part of CCL policy and would be taken up by many unions when current contracts expire.

Fits Neatly

The move fits in neatly with labor's postwar program aimed at greater security, and follows perhaps the last major security step—establishment of bigger and better pension schemes.

The guaranteed annual wage is a rare item in agreements now. It's in a few contracts in the U. S., but here in Canada it was seldom heard of until a couple of years ago. Where it has come up, the clause has been used merely for trading purposes. It was something unions said they wanted, but which they were quite ready to drop in return for some other concession they really wanted.

In the U. S., labor has been afraid that a guaranteed annual wage would tend to hold wages down: the tendency might be to grant it on the basis of a lower hourly or weekly rate.

The move by unions to introduce the guaranteed demand now could mean this: that unions think they're not going to get much in the way of increases next year and maybe this is the best time to go after the annual wage.

CIO Leads

The CIO has led the labor field in the U. S. on a guaranteed annual wage in the past. And its counterpart, the CCL, has taken the same position in Canada. The CCL line has been that it would mean greater security plus greater purchasing power for the union member.

The AFL and TLC, on the other hand, have taken a lesser place and said it might be good in some lines but is not universally applicable.

At any rate, Reuther's statement on Labor Day was not considered as ad libbing. It was a deliberate statement and indicates that the UAW is really going to push for this newest major demand.

What will happen to the resolution in committee, and what will happen to it on the convention floor if it gets that far? There'll be a lot of talking, but judging from past moves by the powerful UAW, it's highly likely the resolution will go through, even if in modified form.

Even then, it is only policy and will not necessarily be taken up right away by many Canadian unions. But employers can expect to face it across negotiation tables before long.

* * *

Bush Workers Sign

An example of harmonious employer-employee relations came this week as 19 Ontario pulp and paper and timber firms signed agreements with employees' unions after two weeks of continuous negotiations.

The announcement was significant in three ways:

—No wage increases came with the agreement.

—It provided payment for two statutory holidays and a 30-day check-off, new items in bush workers' agreements.

—It was one of the biggest single industry contracts ever signed in the province, (covers 30,000 men.)

From the union standpoint, it was a good deal because the 30-day period means far greater strength. The previous 90-day set-up meant that many seasonal workers weren't on one job that long and thus were never members of the union.

For the companies, it meant they were able to hold down at least one item in their cost structure.

But while it was a happy situation for the companies and the unions, the signing wasn't going to be good news for the rump Canadian Union of Bushworkers led by Communist Bruce Magnusson, expelled from the Lumber and Sawmill Workers' Union by the parent body, the AFL carpenters.

With any harmony in labor relations frowned upon by the Moscow disciples, their line of propaganda to unionists was expected to be "your union leaders have sold you short. Come with us and we'll get you big wage hikes."

* * *

Dog in Manger

The Canadian Congress of Labor has again demonstrated that it isn't happy about government appointments of labor men to office unless those men happen to be members of the CCL.

This time, the man under fire is William Sands, newly appointed deputy minister of labor for British Columbia, and formerly an organizer for the CCL's rival, the Trades and Labor Congress.

Mr. Sands had been an executive officer of the CCL provincial body, B. C. Federation of Labor, but quit in favor of a job as organizer for a TLC fruit and vegetable workers' union.

In a protest to the B. C. cabinet, the delegation said Sands had "waged war on our unions in The Okanagan Valley and . . . continually vilified . . . officers of our congress."

A somewhat parallel situation developed a few months ago when Ontario CCL officials protested the appointment of E. N. Davis as chairman of the Ontario labor relations board.

Labor men complained that Davis, a former employer representative on the board, was not the right man for the chairmanship, that with him as chairman, the board was lop-sided and would be unable to render an impartial judgment.

* * *

Labor Briefs

The second strike in six months has been called by the Sydney, N.S. Canadian Brotherhood of Railway Employees and Other Transport Workers. Early this week deadlock prevailed as the union refused to accept the recommendation of a conciliation board.

The month-long strike which started March 21, involved employees of the Sydney-Whitney Pier Bus Line, the city transit system. The union finally accepted a 17½c raise boosting their rate to $1.12½.

The current strike takes in 37 employees of Highland Lines Ltd., providing both urban and suburban service in Sydney. The strikers are demanding a 20c raise for their present 95c maximum rate.

The conciliation board recommended $1.05 for a maximum and management was willing to accept this. However the union refused and some 400 of their fellow men employed in nearby mines were finding some other way to ride to work this week.

Outlook for early settlement was gloomy, with union spokesman Fred Nichol saying he was prepared to keep the men out indefinitely.

* * *

Approximately 2,500 men from Eastern Canada will be needed this year to help in taking off the prairies' record grain crop. At the first of the week, more than 1,800 had left for western points. The men go out at special $15 westbound and $11.50 eastbound rates arranged by co-operative effort of the railroads and federal and provincial governments. Placement is handled by provincial agricultural officials and the National Employment Service.

* * *

British Columbia's labor picture is clearing now with the big strikes settled and others headed toward settlement this week. But in July, when bush and construction workers were slowing the whole economic pace of the province, the two big work stoppages accounted for 82% of all time lost through strikes in Canada.

And 65% of all men involved in strikes were members of these unions. Here is the count racked up by the pair during the month of July alone: 730,000 man-working days lost and a combined total of 36,500 workers idle.

Fast Action By Both Sides On Rail Wages?

OTTAWA (Staff)—The Kellock Board of Conciliation on the dispute between the railways and non-operating unions will open its Montreal hearings on Sept. 22 in an atmosphere far more conductive to settlement than that which preceded the rail strike of 1950.

Parties to the dispute are being notified that they should be ready at the opening to present their respective cases. The first stage of proceedings should be concluded in about four days. Allowing time for rebuttal, this might mean a conciliation board report within two or three weeks.

Even allowing for the fact that the report is unlikely to be unanimous or accepted by both sides, there seems a reasonable chance that negotiations may be continued and a final settlement reached without even employment of the usual pattern of a strike vote by the unions.

Chief reasons for this optimism are:

1. The fact that there has not been the long stalling of negotiations which preceded the conciliation stage in 1950. Both sides, so far, have shown a disposition to get ahead with the business of negotiating the new contract.

2. Inclusion of water transport and hotel workers in terms of the settlement is not an issue. Government action following the 1950 strike has divorced these workers from future settlements. It was insistence of the union that water and hotel workers be given the same treatment in 1950 that brought the final breakdown and the calling out of the 125,000 railway workers.

Major issues to be settled are union demands for a union shop and the wage demands. While agreement on no issue was reached during the preliminary efforts of the conciliation officer, Arthur Macnamara, it is believed here that there may be no insurmountable obstacle to settlement on both major questions.

Three of the principals in the formation of the new firm of Harris & Partners Ltd. are left to right, Hon. R. H. Vivian Smith, Sir Edward Peacock and W. C. Harris—(Story on page 1)

Truckers Pare Westward Auto Rates to Rails'

Trans-continental truckers were reeling this week from the effect of new low rail rates on automobiles moving westward from Ontario (The Financial Post, Sept. 6). However, a trucking spokesman told The Post that the long-haul trucks will continue to operate and have already reduced their rates to bring them in line with the new rail charges.

(The new transportation rates will mean that popular-make autos will be cheaper by $50 in Vancouver, $40 in Edmonton and Calgary, $34 less in Saskatoon, and $20 less in Winnipeg).

John Magee, executive secretary of the 6,000-member Canadian Automotive Transportation Association, said truckers will continue to rely on fast door-to-door service to bring them business, but he warned against an all-out transportation rate war.

"Truckers learned 20 years ago that unfettered price-cutting in the overland freight business is the way to bankruptcy," he said.

Fillets to Keep Flowing To U.S., Tariff Hike Killed

Canada's maritime fishing industry heaved a big sigh of relief this week. The reason: The U. S. Tariff Commission has rejected an application of the New England fishing industry to restrict imports of groundfish fillets.

Last year Canada supplied over 57 million lb. of groundfish fillets (cod, haddock, rosefish, hake, cusk and pollock) to the U. S., valued at over $10 millions. This formed the main bulk of the U. S. import of 88 million lb. and represented about one eighth of Canada's $85 millions of exports of fishery products to the U. S. It is expected that 1952 imports to U. S. will run higher than last year.

Said Gordon O'Brien, manager of the Fisheries Council of Canada, Ottawa: "The decision is not a surprising one to us, since we are convinced that there is no injury being suffered by U. S. domestic producers.

"As we maintained before the U. S. Tariff Commission at the Washington hearings last November, the fillet market in the U. S. and Canada can be expanded greatly. The increased distribution of frozen foods generally is opening up large areas for frozen fish products—areas which formerly consumed little fish except in the cured or canned form. Refrigeration facilities are growing and fish fillets are getting into more homes.

"Our development has been faster on this line of product (than in U. S.), but then we are much closer to the prolific fishing banks of Nova Scotia and Newfoundland which supply the bulk of these groundfish. Expansion—because of the shorter haul—is more economic in Canada," Mr. O'Brien stated.

Rate of duty into U. S. is 1⅞c a lb. on an annual quota basis of 15 million lb. or on 15% of average annual U. S. consumption of product in the three preceding years, whichever is greater. On imports in excess of quota the duty is 2½c a lb.

Juicy Steaks Back on Menus

Those juicy steaks, dropped from the average housewife's shopping list now for a couple of years, may soon find their way back, though in smaller quantities.

Leading chain store outlets have sliced steak cuts 5 to 6c a lb. this week and other beef cuts proportionately, following a slide of $1 to $2 a cwt. in cattle prices. Normal seasonal increase in cattle receipts at chief marketing points, plus some increased selling pressure from farmers who have been withholding cattle pending removal of foot and mouth disease embargoes, were big factors behind the softer market. But there is also a growing belief that the Government's so-called support price has become badly dented, in fact is not a support at all in the true sense of the word. Recently Ottawa has been refusing to purchase all but very limited quantities of cattle unsold at support prices. This could possibly herald a lower support peg after Sept. 30.

Reports as to when Washington will lift its embargo on Canadian cattle range all the way from Oct. 1 to a year from now.

For September Investment . . .

More complete information on the shares listed below is contained in our September issue of "Investment Suggestions" a copy of which is available upon request.

Security	Rate	Maturity	To Yield Approx.
Government of Canada	3 %	1957/60	3.71%
Province of Ontario Guaranteed Hydro-Electric Power Commission	4 %	1965/67	4.06%
Province of Quebec Guaranteed Quebec Hydro-Electric Commission	4 %	1961/62	4.05%
Province of Newfoundland	4¾%	1962/64	5.00%
Province of Manitoba	4 %	1960/62	4.00%
City of Saint John, N.B.	3¼%	1957	4.51%
City of Montreal	4 %	1962	4.40%
Edmonton School District	4¾%	1968	4.84%
Aluminum Co. of Canada Limited	3½%	1971	4.08%
Brazilian Traction, Light & Power Co. Ltd.—Convertible	4½%	1971	5.17%
Columbia Cellulose Company, Limited	5 %	1968	5.09%
Dunlop Tire and Rubber Goods Company Ltd.	5 %	1972	4.84%
Building Products Limited	$1.80	Common	4.96%
Canada Permanent Mortgage Corp.	$2.00	Common	4.17%
Canadian Pacific Railway Company	$1.50	Common	4.38%
Cosmos Imperial Mills, Ltd.	$ .70	Common	5.18%
Page-Hersey Tubes, Limited	$2.60	Common	3.51%
Price Brothers & Company Limited	$2.00	Common	6.30%
The Southam Company Limited	$1.00	Common	5.19%
Union Gas Co. of Canada Ltd.	$1.00	Common	4.04%

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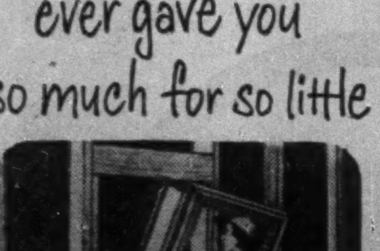

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3-Point Program Ahead To Boost Housing Program

OTTAWA (Staff) — Ottawa is laying its plans for a further shot in the arm for Canada's housing program.

While the last months for which figures are available (May and June) show a slight upswing in residential construction, the showing for the first half of the year indicates that 1952 will lag substantially behind the record of the last four years. The year started with about 16,000 fewer units under construction than in the two previous years or a drop of about 27%.

In spite of measures taken early in the year, the decline continued, so that in the first six months new starts, completions and houses under construction all showed a new low, with a carry-over into the last half of the year 14% lower than 1951. This would indicate total completions for the year of something over 60,000 compared with 77,000 last year and 85,000 in 1950.

In contrast to this, new family units in need of housing are increasing at a more rapid rate than in previous years. In the first quarter family formations were double 1951. Net result will be substantial increase in the Canadian backlog of housing need.

With dangers of inflation lessened and no serious bottlenecks expected in the labor and supply field, the Government can be expected to concentrate its efforts on increasing N.H.A. activity both in the field of Dominion-Provincial rental projects and on making mortgage money available on joint or direct loans.

The New Program

Here are some of the things included in the coming program:

—Revision of the National Housing Act to make it possible to tie slum clearance projects with new Dominion-Provincial rental projects in outlying urban districts. This is a long-term plan to make the Act more flexible and would have no immediate effect on meeting need for new housing. It requires an amendment to Section 12 of the Act to be introduced at the next session of Parliament to allow slum cleared areas to be used for other purposes than residential housing.

—Extension of the program of direct loans under Section 31A, using the lending institutions as agents in areas where they are not ready to participate in joint lending operations. This is already under way and it is the intention of the Government to fill gaps wherever they occur so that the N.H.A. operations will be on a national scale. It will probably require amendments to the Act to clarify the position of the lending companies as agents of Central Mortgage & Housing Corp.

—An increase in the present loan ceiling. At present this stands at $300 millions. Parliament will be asked to raise it at the next session, possibly to $500 millions.

Slum clearance provisions have been used so far only in one instance — the Regent Park project in Toronto. One reason for this has been the requirement of Section 12 that new housing be constructed on the cleared area, thus eliminating the possibility of its use for suitable and probably more profitable purposes by the municipality such as industrial sites. The proposed revision contemplates using Section 35, the provision for construction of low rental housing under Dominion Provincial Agreement as complementary to the slum clearance provision. Under the amended Act, it will be possible to move slum populations to more suitable locations.

Not Invading Private Field

In extending the provisions of 31A, the Government is not proposing any invasion of the field of private lending. The new policy which will be incorporated in the Act provides that any time within two years the lending institution may change its agent status by buying up 75% of the mortgage and operating on the joint loan basis. This would mean that Central Mortgage & Housing instead of receiving the 5¼% interest on the whole direct loan would revert to 3¾% on its 25% share, with the lending institution receiving 5¾% on the other 75%.

So far as the borrower is concerned there is no difference between the direct loan and the joint loan, nor will he necessarily know which he is getting and whether there has been a switch. The terms including 5¼% interest are the same, and the lending company, acting as government agent follows the same provisions of the act and regulations and the same yardsticks in screening applications. The government is not taking on doubtful loans nor subsidizing the home builder to any greater extent than under the N.H.A. joint loan.

The agency plan was initiated not so much to make mortgage money available in new areas as to maintain lending facilities in centres from which the lending companies were withdrawing operations, centres like North Bay, Sudbury and Sault Ste. Marie. Central Mortgage & Housing was faced with a threatened contraction of N.H.A. operations and had to find a scheme which would continue to make money available on a national scale and at the same time keep the Crown Corporation out of the picture as a mortgagee.

The answer was an approach to the lending institutions who showed interest in taking on the agency job, particularly with the two-year option on 75% of the loan.

The extent to which it will increase the volume of Government money going into N.H.A. mortgages is a question mark. It will depend on the number and size of the gaps that make their appearance across the country. In any event, it will make it necessary to get a new appropriation from Parliament which could run as high as an additional $200 millions.

Textile Experts Holding Seminar

MONTREAL (Staff) — Some 32 technicians from Canadian woolen and worsted mills gathered at Cornwall, Ont. This week for a three-day forum on the use of man-made fibres in textiles production. Staged by Courtaulds (Canada) Ltd., it took the form of discussion sessions on such topics as the properties of these fibres, blending techniques, principles of dyeing, etc.

It was the first such gathering to be held in Canada and experts were on hand both from this country and the United Kingdom to lead the sessions.

At Kingston, during the final three days of this week, some 500 textile men from Canada, the U.S., the U.K., Switzerland and other countries will attend the third Canadian Textile Seminar. Papers will be presented by about 30 scientists and technicians from leading research centres and industrial laboratories on both sides of the Atlantic.

COMPANY REPORTS

MODEL OILS experienced a loss of $9,040 in the year ended May 31. 1952, but nevertheless realized a profit of $31,863 from farmout agreements concluded and sale of an interest in the Acheson area.

Monthly income from Leduc wells now being received was stated to be available only in the last two months of the fiscal year.

Under agreements completed, wells were drilled on lands in the Red Deer, Turin, Campbell and Legal areas but only the Turin well, a small capped gasser, proved productive.

Eleven productive D2 wells were completed at a cost of a million dollars in the Leduc field, the sole cost to Model for its interest in these wells being assumption of $195,000 of indebtedness by way of bank loan. This loan is repayable out of a percentage of production. The company is at present securing 2,000 bbls. a month of production from these wells. When the cost of the wells is regained by the drillers, expected within three to four years, the company's percentage of production will then be more than double, it is stated.

Market value of shares held in Imperial Oil is now $99,601, President William C. Fisher reports.

INCOME ACCOUNT

Years Ended May 31:	1952	1951
Prod'n revenue	$20,289	$27,727
Less: Royalties	5,308	7,396
Add: Royalty rev.	25,726	22,901
Other rev.	3,261	3,012
Total net rev.	43,968	46,244
Less: Oper. & admin. exps.	42,042	39,220
Development	......	4,440
Depreciation	10,966	2,584
Net loss & deficit	9,040	nil

CONDENSED BALANCE SHEET

As at May 31:	1952	1951
Cash	$174,617	$145,582
Accts., etc., rec.	3,890	7,920
Investments	126,706	119,843
Mater. & supplies	11,950	23,511
Total curr. assets	317,163	296,856
Prepd. exp. & def. chgs.	16,426	......
Development acct.	838,310	684,461
Organ. expenses	......	98,683
Less: Depr. & depl.	538,531	538,531
Land & leases	643,942	652,950
Plant & equip.*	25,824	6,534
Total assets	1,303,134	1,200,953
Total curr. liab.	194,279	......
Capital stock	1,005,242	995,510
Surplus	103,613	205,443
*After depr. of	71,570	62,528
Working capital	122,884	296,856

Contingent Liability: $198,279 due Bank of Montreal.

Construction Gets Under Way New CGE Plant at Guelph

Construction by Foundation Co. of Canada will start shortly on a new 1,000-employee heavy electrical equipment plant to be located at Guelph, Ont. by Canadian General Electric Co. Building will be completed in 1954. The Financial Post understands the cost will exceed $8 millions.

Details of the plan were disclosed last week by Archie M. Doyle, general manager of CGE's apparatus division. The new plant, going up on a 200-acre site in Guelph township, will produce large power transformers, high voltage bushings and instrument transformers, for use by municipal utilities and big industry. Purpose of this type of equipment is to increase voltage at power sites for transmission, and to reduce voltage at point of distribution and utilization.

CGE's entire production of large power transformers, high voltage bushings and instrument transformers is to be concentrated at the Guelph site, releasing company's 14 other Canadian plants for the production of lighter commercial equipment and consumer products. The new project is described as a step in CGE's long-range decentralization program.

Until 1954, power transformers will continue to be manufactured at the company's Toronto Davenport works.

The Guelph site is adjacent to both Canadian Pacific and Canadian National lines, as well as main highways. Hamilton, as major source of steel supply, is some 25 miles to the south.

The site is located in an area expected to be annexed soon by the City of Guelph, and the launching of a new housing development adjacent to the plant is forecast for this fall.

Although the new factory will be the largest individual industry in the municipality, a company spokesman said that Guelph is large enough (pop. 26,617) that it will not become a "company town."

The new project has resulted in cancellation of plans to build the transformer manufacturing centre on land acquired by CGE in 1951, two miles north of the Toronto suburb of Weston.

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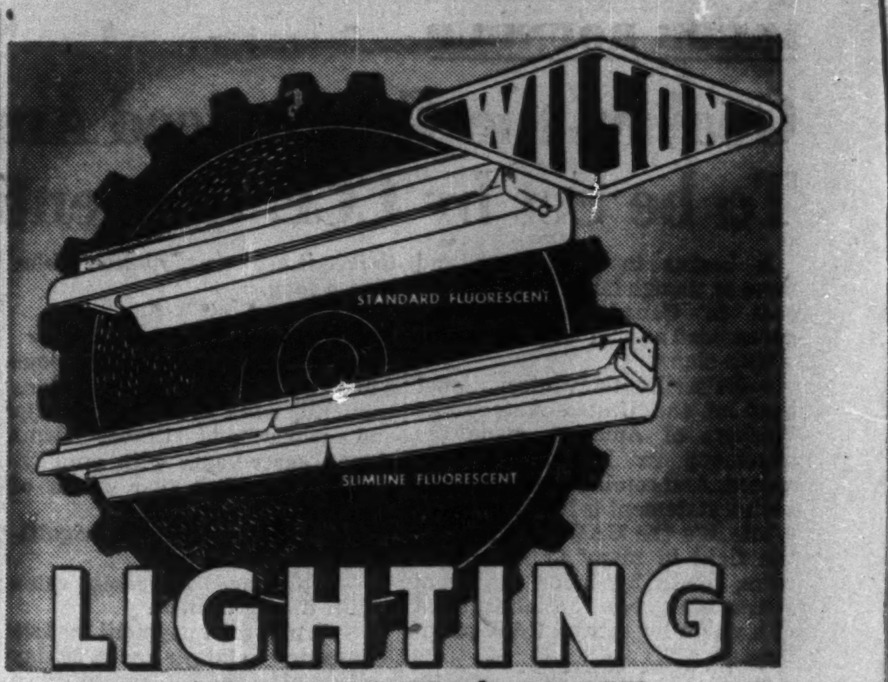

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Position of Chartered Banks of Canada as of JULY 31, 1952 Shown by Monthly Returns to Minister of Finance

LIABILITIES

NAME OF BANK	Notes in Circulation	Deposits by and Bal. due to Dominion Government	Deposits by and Bal. due to Provincial Governments	Advances from Bank of Canada Secured	Demand Deposits in Canada	Savings Deposits in Canada	Deposits in Canada in curr. other than Canadian	Deposits Elsewhere	Bal. due to other banks in Canada	Due to banks in U. K.	Due to banks elsewhere
	$	$	$	$	$	$	$	$	$	$	$
Montreal	....	62,280,080	30,484,370	....	672,286,143	1,134,786,61[illegible]	51,509,107	90,224,210	27,151,245	9,162,486	21,127,032
Nova Scotia	42,582	13,612,122	9,202,411	....	244,291,238	480,105,91[illegible]	11,237,47[illegible]	86,403,467	10,986,170	3,219,820	8,135,28[illegible]
Toronto	....	[illegible],820,062	2,519,927	....	146,804,848	300,105,390	2,504,640	....	9,870,938	3,854,809	2,134,935
Provincial	....	2,844,266	808,868	....	43,828,97[illegible]	130,8[illegible]	74,004	....	3,018,001	....	303,538
Commerce	20,718	38,231,873	[illegible]1,651,525	....	553,546,21[illegible]	875,174,804	14,115,270	103,075,567	15,003,355	7,177,572	15,807,90[illegible]
Royal	116,897	40,938,241	43,212,737	....	730,718,710	1,073,841,401	60,098,060	304,741,580	20,021,386	6,880,777	30,379,007
Dominion	....	8,026,377	1,610,[illegible]82	....	161,687,[illegible]11	241,530,10[illegible]	1,509,802	80,432,503	11,761,250	2,337,22[illegible]	3,718,225
Nationale	....	9,210,155	1,493,734	....	120,[illegible]11,074	320,075,[illegible]56	1,055,831	872,151	4,033,21[illegible]	104,348	1,077,661
Imperial	....	9,881,014	33,412,908	....	173,702,608	302,515,807	2,281,848	....	4,014,837	4,129,308	3,381,1[illegible]
Barclays	....	287,976	11,350	....	11,177,808	8,011,60[illegible]	3,073,309	....	1,006,44[illegible]	3,380,353	2,006,827
Total	180,197	195,132,275	163,408,021	....	2,884,612,633	4,830,095,546	133,014,321	708,490,779	108,51[illegible],444	42,275,907	97,091,757

NAME OF BANK	Letters of credit outstanding	Other liabilities	Dividends declared and unpaid	Reserve Fund	Capital paid up	Total Liabilities	Capital authorized	Capital subscribed	Last dividend*	†Loans to Directors and firms of which they are partner	Greatest Amount of Notes in Circ.	Bills rediscounted with Bank of Canada
	$	$	$	$	$	$	$	$	%	$		$
Montreal	47,298,455	522,096	917,174	51,000,000	36,000,000	2,223,745,060	50,000,000	36,000,000	10	548,817	....	....
Nova Scotia	17,882,774	540,232	606,212	30,000,000	15,000,000	904,445,69[illegible]	15,000,000	15,000,000	16	7,319,533	43,024	....
Toronto	1,876,25[illegible]	21,885	210,781	14,000,000	6,000,000	500,562,762	10,000,000	6,000,000	14	396,77[illegible]	....	....
Provincial	244,220	55,93[illegible]	9,377	2,000,000	4,000,000	188,046,039	5,000,000	4,000,000	6	1,520,516	....	....
Commerce	43,672,263	932,976	922,353	30,000,000	30,000,000	1,758,992,182	50,000,000	30,000,000	10(¼of1%)*	1,037,058	20,996	....
Royal	53,454,128	1,256,613	920,714	52,000,000	35,000,000	2,578,180,95[illegible]	50,000,000	35,000,000	10	2,501,178	118,306	....
Dominion	12,482,404	352,768	177,905	11,000,000	7,000,000	496,[illegible]07	10,000,000	7,000,000	10	180,423	....	....
Nationale	1,875,297	67,721	164,880	7,000,000	7,000,000	474,541,300	10,000,000	7,000,000	8	680,763	....	....
Imperial	7,127,893	304,704	19,337	11,000,000	7,000,000	560,871,04[illegible]	10,000,000	7,000,000	12	135,646	....	....
Barclays	1,818,977	....	....	1,500,000	1,500,000	33,771,182	1,500,000	1,500,000		....	....	....
Total	188,732,862	4,054,858	4,148,513	209,500,000	148,500,000	9,719,852,947	211,500,000	148,500,000	....	[illegible]	182,326	....

†And loans for which they are guarantors. *Extra dividends shown in brackets.

ASSETS

NAME OF BANK	Gold and Subsidiary Coin held in Canada	Gold and Subsidiary Coin held Elsewhere	Notes of Bank of Canada	Deposits with Bank of Canada	Notes and Cheques on other Banks	Govt. and Bank Notes other than Canadian	Balances due by other banks in Canada	Due by banks in U. K.	Due by banks elsewhere	Dom. Gov. Short Term Sec.	Dom. Gov. Long Term Sec.	Prov. Gov. Short Term Sec.	Prov. Gov. Long Term Sec.	Canadian municipal securities
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	3,840,889	11,108	48,106,979	170,513,44[illegible]	16,445,984	2,044,628	14,761	1,449,115	34,928,335	274,337,707	506,161,406	18,903,013	66,643,116	40,013,963
Nova Scotia	1,528,293	659,689	26,712,860	53,166,515	53,103,164	6,054,011	....	1,003,754	18,140,748	75,502,582	129,811,330	6,700,912	8,663,689	9,839,788
Toronto	908,141	....	12,736,162	35,163,047	27,523,435	789,130	....	305,777	7,383,090	69,032,237	90,798,657	6,074,972	8,100,590	8,264,680
Provincial	661,022	....	6,750,222	14,315,905	9,133,140	296,431	4,739	1,614	948,096	28,098,048	23,300,657	2,836,086	12,219,073	7,746,682
Commerce†	2,549,062	33,526	35,127,081	104,748,725	79,433,757	2,954,830	2,526	2,014,501	32,844,974	212,830,982	319,362,335	15,229,070	23,327,907	25,454,513
Royal‡	3,632,584	907,019	58,097,476	129,847,528	120,849,927	30,074,420	22,950	9,613,461	117,940,483	281,571,976	533,739,888	31,280,654	55,932,944	39,107,920
Dominion	868,418	169	10,263,662	38,811,366	34,808,475	519,432	....	1,633,671	9,924,048	71,978,120	52,832,646	1,615,873	4,182,183	6,329,816
Nationale§	1,354,561	127	20,964,061	21,347,489	15,810,435	719,919	....	152,667	2,983,876	86,323,938	64,263,609	2,306,049	32,199,771	15,963,639
Imperial	1,251,440	....	16,242,044	24,303,333	88,726,406	432,421	34,255	663,886	7,970,988	94,750,948	105,149,777	1,998,397	5,169,041	8,906,081
Barclays	9,844	....	265,765	3,337,684	2,379,818	24,900	160,901	590,057	646,103	2,501,192	4,895,392	381,920	3,774,611	767,712
Total	16,604,054	1,611,638	235,266,312	595,455,032	458,214,541	43,890,151	241,132	17,428,503	234,104,621	1,197,004,607	1,832,318,727	87,295,655	221,343,907	163,439,998

NAME OF BANK	Public Securities other than Canadian	Other bonds and stocks	Call and short loans in Canada	Call and short loans elsewhere	Current loans in Canada	Current loans elsewhere	Loans to provincial governments	Loans to municipalities	Non-current loans	*Real estate other than Bank premises	Bank Premises	Deposit for note circulation	Other assets	▲Total assets
	$	$	$	$	$	$	$	$	$	$	$	$	$	$
Montreal*	80,453,491	114,512,807	17,293,965	30,400,854	561,979,992	19,373,665	14,834,804	25,360,591	572,479	81,493	21,335,561	....	2,670,370	2,228,279,151
Nova Scotia	7,813,865	22,510,645	30,817,167	20,589,450	341,065,253	58,500,873	380,923	8,032,881	125,619	....	23,721,941	....	686,006	905,050,426
Toronto	1,405,102	19,133,326	6,652,992	....	184,938,927	....	....	9,600,434	22,403	35,078	8,904,819	....	196,844	502,397,163
Provincial	....	7,948,841	4,174,098	....	60,507,425	....	21,234	3,301,291	32,769	192,083	3,336,343	....	363,362	188,630,578
Commerce†	61,381,236	79,813,280	24,109,256	22,619,212	583,881,899	41,130,382	1,156,606	16,676,564	462,313	158,625	23,612,975	....	8,307,064	1,764,735,397
Royal‡	89,070,897	103,200,236	39,866,900	70,033,538	621,114,012	140,030,332	604,695	19,870,121	287,176	10,308	21,408,564	....	7,674,963	2,579,207,104
Dominion	5,485,397	6,450,247	7,793,749	23,288,408	195,011,243	1,746,180	64,764	3,321,420	28,840	8,019	7,940,487	....	178,424	497,537,154
Nationale§	647,675	15,962,164	4,825,634	....	165,916,069	492,924	115,201	12,874,787	22,462	....	6,909,770	....	184,214	475,295,349
Imperial	1,924,086	9,340,335	9,319,862	....	224,541,995	....	46,572	5,356,577	70,033	....	8,637,900	....	73,863	561,946,798
Barclays	476,947	550,000	512,100	....	9,360,829	....	....	96,000	220	....	1,273,571	....	33,462	33,954,019
Total	248,658,35[illegible]	379,422,060	145,315,661	166,880,453	2,928,272,534	288,264,267	16,925,079	107,559,674	[illegible]	485,606	127,080,831	....	19,568,786	9,732,083,334

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* The business of the Bank in San Francisco, U.S.A., is carried on under the name of a locally incorporated company and the figures are incorporated in the above return.—Footnote to Bank of Montreal return.
† The Canadian Bank of Commerce (California) has been incorporated under the laws of the State of California to conduct the business of the Bank in that State and the assets and liabilities of the Canadian Bank of Commerce (California) are included in the above general statement. Footnote to Canadian Bank of Commerce return.
‡ The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of The Royal Bank of Canada (France) are included in the above general statement.—Footnote to The Royal Bank of Canada return.
§ Bank Canadienne Nationale (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris and the assets and liabilities of the Banque Canadienne Nationale (France) are included in the above general statement. Footnote to Banque Canadienne Nationale return.
■ Includes mortgages.
▲ Total assets include 188,732,862 letters of credit outstanding as shown in liabilities.

What the Experts See in a Look at Your Taxes

U.S.-Canadian Taxmen Meet To Discuss Theory, Practice

"We have 3,000 miles of common border without a single soldier guarding it — nothing but taxmen," Ontario's Premier Leslie Frost, jibed members of the National Tax Association this week as they met in Toronto. It is a U. S. organization of tax experts but there are some Canadian members.

Canadian tax systems were in for a full-scale treatment on the program. It is N.T.A. policy to carefully study the tax systems in each area where it happens to hold its annual meeting. National Revenue Minister McCann, Ontario's Premier Frost and Attorney-General Porter, senior civil servants, and other tax experts, all were lined up to discuss Canada's taxes.

Americans are interested in comparisons with our tax system. For instance, we differ from them by having a federal sales tax; and by not taxing capital gains, and we have more co-ordination in taxation between our levels of government than has the U. S. But more specific U. S. problems, as well as tax theories were slated for an airing as well.

The Association's president is Professor Alfred G. Buehler, University of Pennsylvania. A. Kenneth Eaton, Assistant Deputy Minister of Finance and Philip T. Clark, Ontario's Controller of Revenue are members of the executive committee.

The following are digests of some of the speeches heard early in the sessions, and which are of particular interest to Canadians.

A. KENNETH EATON, Assistant Deputy Minister of Finance.

In the U. S. there is a far greater reverence for income tax as a fiscal instrument than there is in Canada. In Canada, we tolerate income tax but are not in raptures over it. Many U. S. writers regard indirect taxes as inherently evil. Canadians who have had 30 years of a general sales tax at the manufacturers' level, plus excise taxes don't cringe when they hear these indirect taxes criticized.

A tax system taken as a whole can be properly progressive even though some of its important constituents are not in themselves progressive. Regressivity in a tax can be offset by progressivity in another. At the same time, to judge a tax system, consideration must be given to the incidence of government benefits financed out of general revenue. These payments can be strongly progressive and offset regressivity in taxes. To assess the fairness of any tax system in the modern state one should not only look at the "in payments" to the treasury but also to the welfare "out payments."

Governments on this continent today are taxing away over half the profits from corporate enterprise. Are corporate tax rates in future going to remain around present high levels? Foreswearing prediction, here are some facts:

(1) In Canada taxes on corporate income (including EPT) for the decade have been greater than the revenue from the whole of the tax on individual income from all sources.

(2) In the U. S. for the decade, the ratio of corporate tax revenue to personal income tax revenue is about 7 to 10.

(3) Standard corporate taxes in both countries are now above 50% and have not been very far below 40% for a decade.

(4) It is difficult to replace a tax or cut down the yield substantially when it has been solidly built into the revenue structure.

If corporate rates should remain high, what should be the attitude in tax legislation toward retained earnings? If dividends aren't paid, these earnings escape personal income tax. The will of the corporation seems to be influenced too directly at times by the wishes of the chief shareholders who would have to pay high personal income tax rates. The personal income tax avoidance factor—the influence of the shareholder — is now buttressed by corporate financing from undistributed earnings.

In the U. S. the attitude has been that corporate earnings after tax should all be distributed. Money for investment should have to pass the test of the financial markets. Canadian law says that corporate income tax is entirely unrelated to distribution of profits and there are no special provisions penalizing or compelling distribution.

The question as to whether or not legislation should attempt to force these earnings down through the personal income tax system is not a question of equity but of economic policy. Will the private enterprise system continue to operate in healthy fashion with this weakening of its mainspring?

Should the corporate tax be regarded as the primary tax on income from industrial sources with personal income tax on distributed profits as a secondary and less significant item? If so, this would be a complete reversal of their traditional positions.

In recent years the Canadian tax system has had some adjustments to the high corporate taxes:

1. A low tax bracket to encourage small business was established, 10% on the first $10,000 profits.
2. Toward ending double taxation, there is a deduction from tax not from income—equal to 10% of dividends taxpayer receives from Canadian tax paying corporations.
3. Corporations themselves can clear the potential tax liability of shareholders on accumulated surpluses by payment of a 15% tax. They can earn this right by distributing half their profits. This helps closely held companies with accumulated earned surplus. By distributing one-half of earnings the rest can be retained in a business for growth purposes.

* * *

The Sales Tax

JOHN F. DUE, Professor of Economics, University of Illinois.

Canada has used sales taxation at the federal level for over 30 years. The present tax is levied upon the sale by the manufacturer of finished products, at a 10% rate. Major exemptions include food, fuel building materials, industrial consumables and machinery, and farm equipment.

Several conclusions can be advanced on the basis of the experience with the tax:

1. The turnover form, imposed each time a goods is sold at wholesale, is completely unworkable, as demonstrated by the experience from 1920 to 1923.
2. The manufacturer's form of tax is administratively feasible, yields substantial revenue, and is very inexpensive to collect so far as the government is concerned.
3. The tax is complicated in many respects for the taxpaying firms and a source of considerable expense to them.
4. The worst administrative problem, and source of difficulty and confusion for the business firms, is the need for readjusting price for tax purposes on direct sales by manufacturers to retailers and consumers. These adjustments, necessary to avoid discrimination against firms selling directly, greatly complicate the operation of the tax.
5. Exemptions of major categories of goods, such as food, are feasible with such a tax; they do lessen somewhat the administrative effectiveness. Considerable success has been attained in recent years in exempting major categories of producers goods — a highly desirable objective.
6. If exemptions are to be administratively feasible, they must be clearly defined; the form of exemption which is conditional upon use should be avoided as far as possible.
7. Some pyramiding of a manufacturers sales tax is inevitable. It is impossible to demonstrate the extent to which competitive forces eliminate it.
8. On the basis of available studies the present tax does not appear to be regressive, except at very high and very low income levels. The tax would be regressive, however, if food were taxed.

The provincial sales taxes are, by contrast, levied at the retail level; they are similar in many respects to the state sales taxes in the United States. Despite the large number of small retailers, these taxes are being collected, from all indications, with a substantial degree of effectiveness. They are much simpler taxes than the manufacturer's tax; they avoid pyramiding, and are directly evident to the presons who bear the final burden.

* * *

Canada's Tax Structure

J. HARVEY PERRY, Director of Research, Canadian Tax Foundation.

Many of Canada's major tax sources are of U. S. origin. But there are several ways in which they are different.

Canada has:

1. a manufacturer's sales tax in federal system, but no capital gains tax, no excess profits tax;
2. a different social security approach, with its tax aspects;
3. realized to a remarkable degree the plans for postwar tax reform, while many of the U. S. plans have been frustrated;
4. a defense and anti-inflationary fiscal program with no price ceiling, no excess profits tax, no deficits—in fact, substantial surpluses;
5. federal - provincial tax coordination.

With regard to tax reform U. S. organizations had many postwar proposals. In Canada, the government had a plan. Much of it has been carried out. There have been Royal Commissions on how to tax annuities and pensions and on taxation of co-operatives which made proposals—and these are now in effect. Personal income tax has been streamlined, instituting a cheap and simple method of appeals through the Tax Appeal Board. The income Tax Act has been redrafted. Steps have been taken toward removal of double taxation by allowing a dividend tax credit.

Canada has introduced a unique set of provisions to deal with undistributed corporate surpluses. There have been revisions of commodity taxes, and reorganization of the whole range of excise taxes to remove the variety of bases which existed. Still on the books is revision of the federal inheritance law.

These reforms have produced a federal tax structure which, with increasingly efficient administration, is the pride of Canadian officialdom. It is not at all surprising that the Canadian public persists in regarding the whole thing as a bit of a mess, which of course is the inalienable right of every taxpayer.

Our anti-inflation program of fiscal policy and other measures in the postwar and defense period has few if any parallels in other countries. Particularly is this true of taxation, with our high excise taxes, deferred depreciation write-offs, higher taxes, etc. But the use of taxation for purposes other than simply providing revenues to operate government has consequences never contemplated by economists who visualize the tax structure as a panel of dials and gauges, to be manipulated at will. The basic difficulty is that the general public does not understand or else forgets, the goals which the system is striving to reach.

Equally serious are the sporadic onslaughts on certain industries and certain forms of expenditure through heavy excise taxes. The businessman in semi-durable consumer industries would be more than human if they did not feel that they were exposed to unpredictable and violent assault through the tax mechanism in a way that cannot help but upset all arrangements and normal expectations. Just as understandable is the housewife's anger because a new washing machine has a 15% special tax while many absolute luxuries like antique furniture have no special tax at all.

In federal-provincial co-ordination the tax agreement technique is a very satisfactory solution to cope with financial conditions under a federal constitution. Compromise is of the essence, and a spirit of good-will and co-operation between levels of government will produce wonders where all the Royal Commissions and Congressional Committees may have failed.

* * *

Capital Gains

J. R. PETRIE, Research Director, Jones Heward & Co., Montreal.

Canada's first income tax was in 1917, and the legislation was influenced by the U. S. However, Canada has followed British procedure in exempting capital gains, and throughout the years Canadian courts have followed British judicial decisions regarding capital and income with few exceptions, despite the fact that the British courts were interpreting a very different set of laws than ours.

The Canadian law has always confined itself to general principles. In the present Act, what definition there is of income or capital is in very general terms. There are certain indications in the Act that the word "income" is not intended to include capital gains. The intention behind the legislation is to exclude capital gains from the concept of taxable income.

But in recent court decisions the law and the common understanding of the public as to what constitutes a capital gain are now a very long way apart. One looks in vain for basic principles today in our jurisprudence for distinguishing capital and income. Recent Canadian decisions indicate that the courts are gradually extending the concept of "business transaction" to include casual speculative profits which a few years ago would probably have been held exempt from tax as capital gains. Some cases indicate that the test of taxability is the presence of an intention to make a profit. If motivation is to be the test of the distinction between a capital gain and income, a capital gain under that interpretation is likely to be a rare occurrence. Indeed, the sale of a company's assets may result in taxable income.

Do these decisions go beyond the intent of the statute? It is not the policy of the government to tax capital gains. But there is confusion and concern over a situation where administrative and judicial decisions appear to encroach upon avowed government policy, and various proposals have been made to protect the position of capital gains.

Some want the Act to define capital and income, but this would be a formidable task of statute drafting, and it is doubtful whether all cases could be covered. Even were exhaustive definitions to be written into the Act, the courts would still have to apply the rules to specific cases but within the much more rigid terms of the statute. The Finance Minister is against this proposal, says we already have an income tax appeal board to determine this type of question.

But it is this board which has handed down the decisions that have intensified the problem.

Another proposal is that we should include in our Act (like the U. K.) a series of charging schedules covering categories of income that are taxable. This would make the British decisions have more bearing on Canadian cases. But it limits or expands our law, as the case may be, in accordance with British changes.

Since our Act does not attempt to define income but merely states for more certainty some items that are to be included in income, provisions should be introduced into the statute which would at least indicate certain types of receipts which are declared either not to be income or to be non-taxable income. If we specify certain items that are taxable, surely it is consistent to specify other items which are clearly not taxable. This proposal avoids the task of defining both capital and income receipts, and provides a more concrete working basis for the courts to apply the law to particular cases. A body of Canadian jurisprudence would be built up which would be based on a Canadian statute, and perhaps the anomaly of applying British jurisprudence which is not strictly applicable to the Canadian Act would be ended. We must depend upon Canadian courts to interpret Canadian law.

* * *

Tax Administration

CHARLES GAVSIE, Deputy Minister (Taxation) Department of National Revenue, Ottawa.

From the efficiency standpoint, the ability to get things done quickly and quietly—the Canadian system has advantages over the U. S. Administrative officials discuss problems and make recommendations to their Ministers in private. They can be reasonably confident that measures decided by the Minister will have Cabinet approval and become law. If Parliament should disapprove, administrative officials know that the Government, not they, bear the consequences. In the U. S., administrators must sell their legislative proposals to the Congress in the full glare of publicity and they can never be certain when or what they will actually harvest.

Some think our system is a bureaucrat's paradise. In practice it is very seldom that administrative expediency is given precedence over political considerations. In almost every matter involving administrative policy, it is the viewpoint of the responsible, elected government officials which decides the issue.

The war brought difficulties in our income tax administration. The number of persons required to file returns increased from one half million to 4½ millions. Tax rates were raised, and the revenue from income tax has grown from $150 millions to today's $2.5 billions. The law became more complicated.

Drastic reorganization of the taxation came after the war.

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Business Failures Again on Uptrend

Second Quarter Shows Increase In Numbers and Liabilities

Business failures in Canada in the second quarter of 1952 continued on the uptrend, according to records compiled by Dun & Bradstreet of Canada Ltd.

Incompetence or lack of experience in one way or another continues to be the major causes of failure. (The Financial Post, Sept. 6.)

Failures in the second quarter of 1952 totaled 236—23 more than the 213 failures in the second quarter of 1951 and 62 more than the 174 failures in the second quarter of 1950. There were, however, 49 fewer failures than in the first quarter of 1952.

Total liabilities involved of $5,782,000 in the second quarter of 1952 was over 25% greater than the total liabilities of $4,598,000 in the second quarter of 1951 and was 2.2% higher than the $5,659,000 total liabilities involved in the first quarter of 1952.

Dun & Bradstreet of Canada's figures would indicate that the average size of firms failing was somewhat larger in the second quarter of 1952 than in either the second quarter of 1951 or the first quarter of 1952. Liabilities involved per failure averaged about $24,500 for the second quarter of 1952 as against $21,577 for the second quarter of 1951 and $21,600 for the first quarter of 1952. The second quarter of 1952's average loss was also higher than the average loss involved of $23,900 for the whole year 1951.

The retail trade group showed the largest increase in the number of failures as compared with the second quarter of 1951. There were 122 failures in this group in the second quarter of 1952 involving $2,193,000 as compared with 104 failures involving $1,541,000 in the second quarter of 1951. In the first quarter of 1952 there were 120 failures in the retail trade group involving $2,004,000. The retail trade group accounts for the greatest proportion — nearly 52%—of the total number of failures in the second quarter of 1952.

The manufacturing group of companies accounted for the next largest proportion—just over 24% —of the total number of failures. There were 57 failures involving $2,506,000 in that group in the second quarter of 1952 as against 53 failures involving $1,704,000 in the second quarter of 1951 and as against 67 failures involving $1,944,000 in the first quarter of 1952.

Only group to show a reduction in the total number of failures was the commercial service group. In this group there were nine failures involving $128,000 in the second quarter of 1952, down from 13 failures involving $468,000 in the second quarter of 1951 and from 11 failures involving $249,000 in the first quarter of 1952.

On a provincial basis, the Province of Quebec had the greatest number of failures. It had 143 failures or 60.6% of the total in the second quarter of 1952. They involved $3,010,000. Ontario was next with 48 failures—involving $1,636,000.

The actual record of failures for the second quarter of each of the three years 1952, 1951 and 1950 shows in the accompanying table:

Second Quarter Canadian Failures

	1952		1951		1950	
	No.	Liabilities ($000)	No.	Liabilities ($000)	No.	Liabilities ($000)
Manufacturing:						
Foods	9	452	7	181	5	296
Textiles	18	678	18	418	12	530
Forest Products	12	681	15	652	10	389
Paper, Printing & Publishing	2	141	5	156	2	25
Chemicals and Drugs	1	82	2	19	1	36
Fuels	..	...	...	...	...	...
Leather & Leather Products	3	124	1	122	4	457
Stone, Clay, Glass Products	..	...	1	13	...	...
Iron and Steel	1	33	1	2	2	14
Machinery	4	69	1	115	2	12
Transportation Equipment	..	...	...	...	...	...
All Other	7	246	2	26	5	84
Total Manufacturing	57	2,506	53	1,704	43	1,843
Wholesale Trade:						
Farm Prod., Food, Groceries	4	57	5	72	1	4
Clothing and Furnishings	2	240	1	25	1	10
Dry Goods and Textiles	3	30	...	...	...	...
Lumber, Bldg. Mtls., Hdwe.	2	23	...	...	3	28
Chemicals and Drugs	..	...	...	...	1	50
Fuels	..	...	1	129	1	7
Automotive Products	1	10	...	...	...	...
Supply Houses	..	...	...	...	...	...
All Other	8	101	9	216	7	155
Total Wholesale Trade	20	461	16	442	14	254
Retail Trade:						
Foods	25	402	31	371	25	294
Farm Supplies, Gen. Stores	5	77	7	268	5	63
General Merchandise	6	36	6	164	4	38
Apparel	18	312	11	68	14	227
Furniture, H'sehold Furn's.	13	286	8	144	7	48
Lumber, Bldg. Mtls., Hdwe.	5	81	8	162	2	8
Automotive Products	12	567	7	178	6	60
Restaurants	18	182	12	77	9	98
Drugs	3	77	...	...	...	...
All Other	17	173	14	109	12	146
Total Retail Trade	122	2,193	104	1,541	84	982
Construction:						
General Contractors	11	331	9	170	5	110
Carpenters and Builders	6	43	2	11	...	...
Building Subcontractors	11	120	15	228	16	239
Other Contractors	..	...	1	34	...	...
Total Construction	28	494	27	443	21	349
Commercial Service:						
Cleaners, Dyers, Tailors	1	2	2	18	1	1
Haulage, Buses, Taxis, etc.	2	11	3	153	2	9
Hotels	4	112	2	144	3	82
Laundries	1	2	2	108	1	7
Undertakers	..	...	...	...	...	...
All Other	1	1	4	45	5	375
Total Commercial Service	9	128	13	468	12	472
Total Canada	236	5,782	213	4,598	174	3,900

Trans Mount'n Oil Pipeline Ready, Oct. '53

The initial tariff for transporting oil from Edmonton to Vancouver via the Trans Mountain Oil pipeline has been set at 45c a bbl. This has been based on present cost estimates and a presently indicated initial throughput of approximately 75,000 bbls. daily. When the throughput materially increases, the tariff rate may be lowered, Roberts L. Bridges, president of Trans Mountain Oil Pipe Line Co. stated, following a board meeting in Toronto.

The line will be completed in August of 1953, and crude oil should reach Vancouver through the line during October, several months ahead of completion date originally contemplated. It is expected that one half of the initial throughput will be exported by tankers from Vancouver to California, the Pacific Northwest, or other offshore points. Loading charge at Vancouver marine terminal is expected to be 2½c a bbl.

Carrying Charge Cut 15c

Prospectus presenting initial financing plans last December reported tentative pipeline carrying charges to Vancouver at 60c a bbl. Since that time, however, line's initial capacity has been increased from 75,000 to 120,000 b/d (ultimate capacity will be in excess of 200,000 b/d) and the U. S. Government has announced a reduction of 50% on crude oil import tariffs. The import tariff cut will make Alberta oil more competitive in U. S. west coast markets.

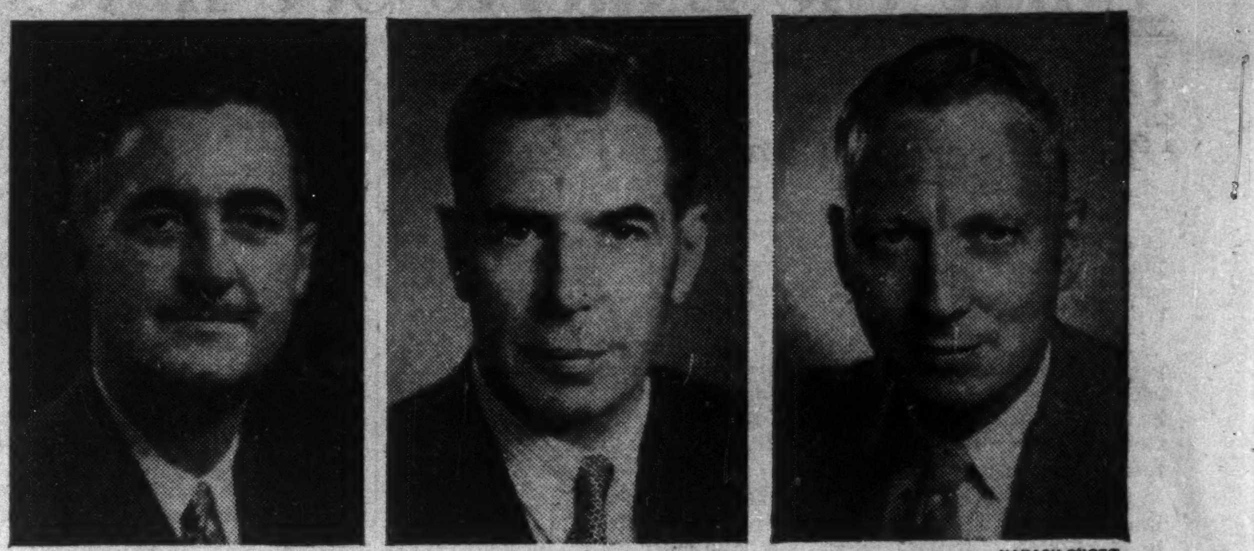
The pipeline tariffs "are announced at this time to assist Western Canadian oil producers in planning their production and marketing on the Pacific Coast," Mr. Bridges stated. "Any basic change in world conditions which would materially affect the market for Alberta crude oil could affect the quantities transported through the pipeline and the resultant tariffs. Further, any substantial increase in construction or operating costs above those presently anticipated for reasons now unforeseen might require an increase in initial tariff."

The increase in line's initial capacity from 75,000 b/d to 120,000 b/d was based partially on the amount of oil reserves now proven in Alberta, Mr. Bridges said, As of midsummer this year the Alberta oilfields could produce in excess of 275,000 b/d. As reported by N. E. Tanner, former Alberta Minister of Mines and Minerals, Alberta's oilfields will be able to supply "any deficiency in Pacific Coast stocks foreseeable in the near future."

If Trans Mountain Oil pipeline was ready to operate now, between 78,000 and 113,000 bbls. of crude oil would be available for transportation from Edmonton to Vancouver daily. After providing around 38,000 b/d for the B. C. market, this would leave between 40,000 and 75,000 b/d presently available for export to the U. S. westcoast market. Western Canadian reserves are reported to be increasing at a rate in excess of 300,000 bbls. per year. The increasing reserves will make additional quantities of Alberta crude available to purchasers on the Pacific Coast for transportation through the Trans-Mountain line.

As of end of August, 1952, around 150 miles of the 711-mile pipeline was welded and in place. Pipe laying is currently proceeding at the rate of three miles a day. By end of construction season this fall, between 330 and 400 miles of the line should be welded, Mr. Bridges stated. Three pipeline spreads are working this summer and two more will be operating during the fall. In order to complete the line in next August, company plans to have five to seven pipeline spreads working along the route next summer.

I.A.C. EXECUTIVE APPOINTMENTS



J. P. A. Smyth, President of Industrial Acceptance Corporation Limited, Montreal, has announced the following executive appointments: J. H. L. Ross, formerly Assistant Vice-President and General Sales Manager, to be Vice-President and General Sales Manager; J. C. Emo to be Assistant Vice-President and to continue his present post as Manager of I.A.C.'s main Montreal office; K. J. Doig to be Secretary-Treasurer. Mr. Doig's new responsibilities will allow former Treasurer L. E. Cuthbertson, to devote his full time to the office of Vice-President and General Credit Manager. All appointments are effective immediately. *

Staff Changes

Dominion:

J. RAY. CLEMENT, formerly assistant manager, Quebec, Que., to be manager, Limoilou, Quebec.

W. D. COCKERILL, formerly manager, Main & Redwood, Winnipeg, to be manager, Kenora, Ont.

R. G. HENDERSON, formerly accountant, to be assistant manager, Edmonton.

J. E. MURPHY, formerly acountant, York & Adelaide, Toronto, to be assistant manager, Spadina & Adelaide, Toronto.

R. STANLEY, to be an assistant manager, Winnipeg.

A. F. CALIS, formerly accountant, Jasper & 103rd, Edmonton, to be accountant, Edmonton.

W. H. CRANE, to be accountant, Winnipeg.

JOHN K. LAMB, to be accountant, St. Clair & Dufferin, Toronto.

J. S. MOOREHEAD, to be accountant, Westdale, Hamilton.

NEIL McNULTY, to be accountant, Jasper & 103rd, Edmonton.

• • •

Nova Scotia:

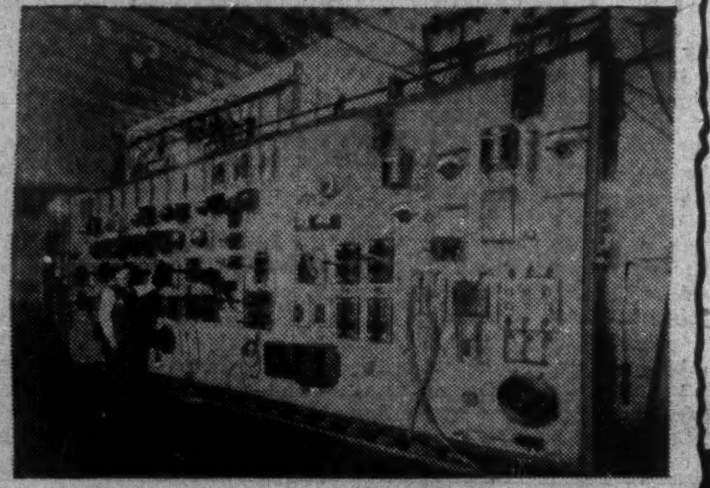
J. A. McENERY, accountant, San Juan, Puerto Rico.

A. B. BENSON, an assistant accountant, Toronto.

J. H. ELLIOTT, an assistant accountant, San Juan, Puerto Rico.

C. H. MacDONALD, assistant accountant, Charlottetown.

H. W. SMITH, an assistant accountant, Kingston, Jamaica, to be assistant accountant, San Juan, Puerto Rico.



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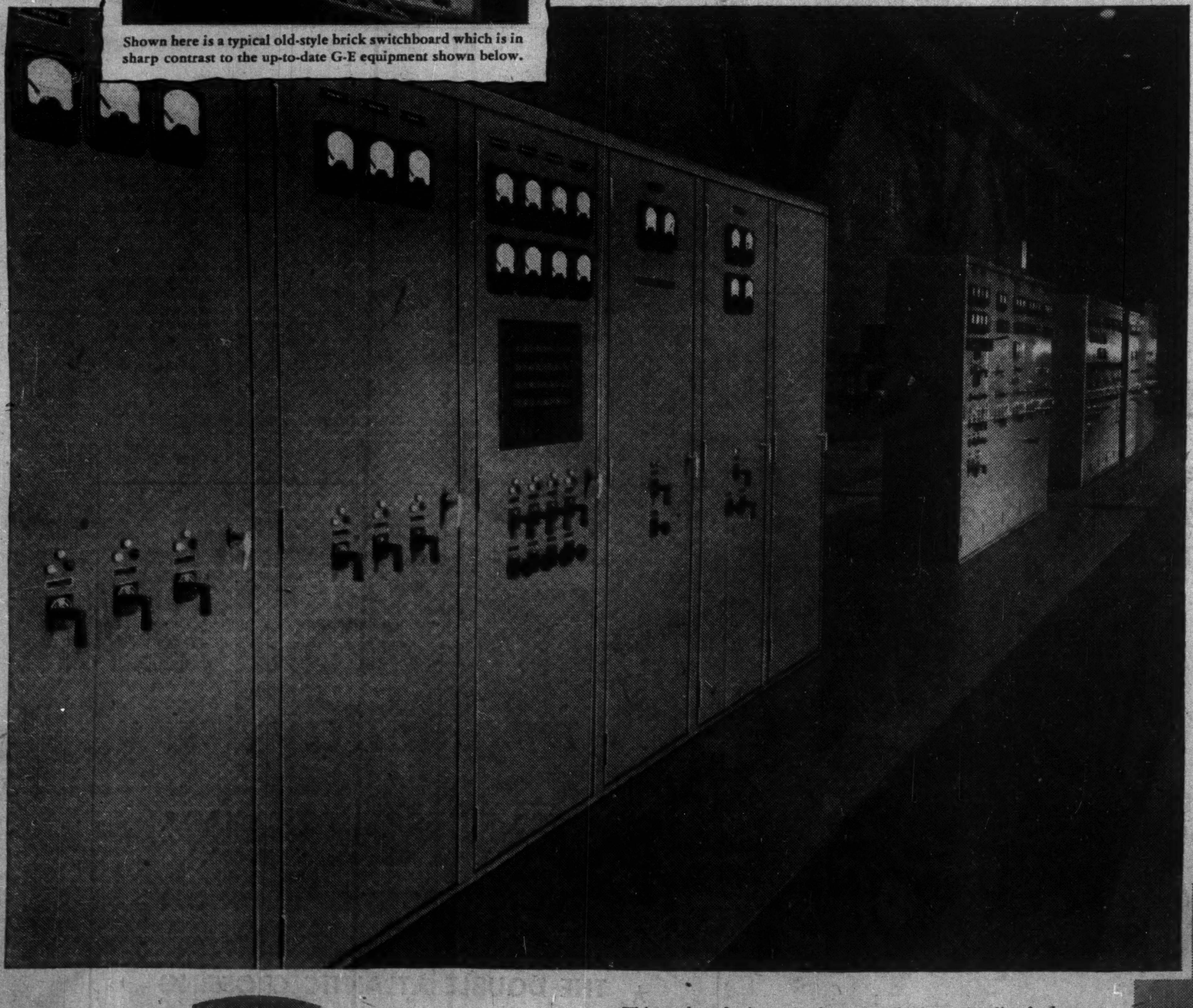

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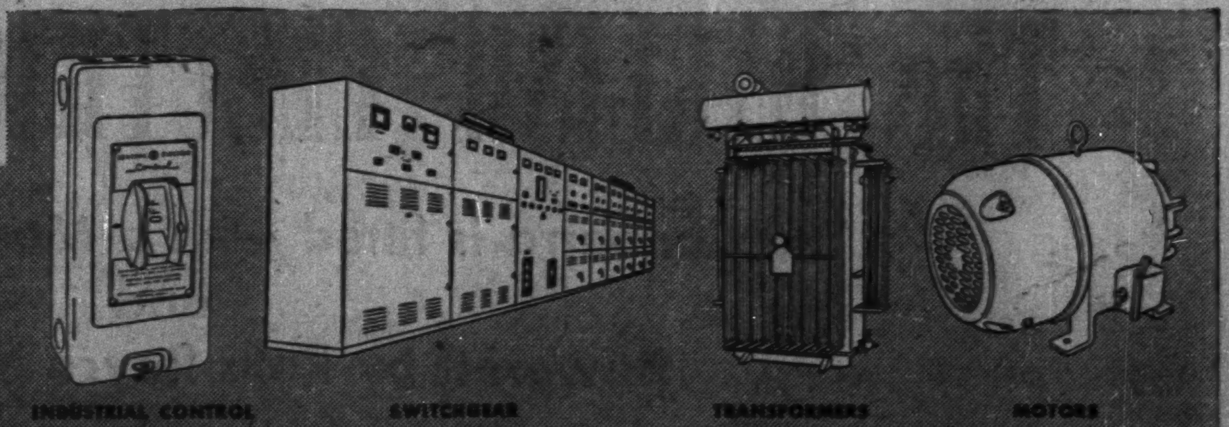

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Send for a copy of our "Investment Securities Review" for September. It deals with British Columbia Packers Limited, a company which may interest you.

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What's Ahead In Supply And Prices

Purchasing Agents See Coal, Steel as Major Danger Points

Coal is the No. 1 danger spot ahead in the commodity supply outlook. Whether Canadian steel mills will be able to boost steel output next year will depend on ability to get enough extra iron ore shipments in navigation season. Business is definitely improving across Canada and signs are increasing that inventory troubles are over in many lines. These are some of the highlights of September commodity and business reports of the Purchasing Agents Association of Toronto.

Business Trends: The long steel strike in U. S. will probably distort the economy there and in Canada for months to come. Depletion of inventories might be made up by first half of 1953 with production at full capacity, but much depends on the weather this winter. With 25 million tons of iron ore "lost" in the strike, a severe winter with limited ore movements would certainly extend the "catch-up" period.

The agreement as signed, means higher costs for the steel industry, and higher prices are a sure bet. Any increase in prices of steel will be felt in all parts of the economy. Wage and price increases in other industries are sure to follow. All this adds up to higher prices for the consumer.

On the brighter side, retail sales volume held up remarkably well during summer months when usually a seasonal decline develops. Indications point to continued rises helped by installment buying, which is at very high levels.

Imports, Exports and Foreign Exchange: The Canadian dollar rose to its highest level in 19 years on Aug. 6, when it was quoted at $1.05-3/16 in terms of U. S. currency. The Canadian price for gold sagged to an 18-year low at $33.613125 for the week ending Aug. 16.

During first six months, exports reached a record value of $2,114,700,000, or 19% above 1951, while imports were valued at $1,950,300,000, or 8% below 1951. The credit balance of $164,400,000 compares with a debit balance of $339,800,000 in same period of 1951.

Construction Materials: National construction awards up to end of July, 1952 show quite a decrease when compared with 1951 total. The 1952 figure stands upward of $1,044 millions, under 1951 total by around $460 millions. The July 1952 figure showed a decrease of around $180 millions. Ontario came up with an increase of over $2 millions in contract awards for July, 1952, this being accounted for by an increase of over $16 millions in residential category.

Can look forward to general improvement in steel supply picture now. Structurals are in fair supply at present; plates should show improvement by early 1953. Cement supply is still tight and will hardly show any improvement until early 1953, when new plants in Ontario and Western Canada are expected to be completed. Balance of construction materials in general, including western timber, are in fair supply at present.

Electrical Materials: It was feared that aftermath of recent U. S. steel strike might create production holdups of numerous items. It now appears that such, if any, will be very limited and of short duration. Generally speaking, all standard industrial and construction materials can be considered in fairly free supply. Some items of the custom-built variety such as special industrial controls, special motors, etc. remain on fairly extended deliveries. Lengthy deliveries continue on heavy rotating equipment and switch gear. Power transformers are showing improved deliveries.

Prices continue firm, and while items such as wire and cable were increased to reflect increased copper price in June, other products have absorbed additional costs. With further increased costs resulting from higher steel prices, it is not anticipated that any softening will occur.

Pulp and Paper: World demand for newsprint has continued unabated during 1952 and greatly in excess of productive capacity. The $10 per ton increase granted on June 15 has been more than dissipated by the unfavorable exchange rate which has been very damaging to the Canadian newsprint industry.

Fine papers bookings fall below productive capacity, with all grades in reasonably good supply. Mills are finding the urgency of new orders such that it indicates inventories are rapidly being adjusted. Prices continue firm.

Wrapping paper demand has weakened since beginning of year and production is down considerably compared with 1951. There are signs that markets are coming back. No change in prices.

Paperboard demand has improved and mills are entering September with full bookings. Prices continue unchanged.

Chemicals: Summer months have seen a levelling off of inventories of chemicals in consumers' plants, which is expected to produce an increase in buying during the fall. In Canada, chemicals are in good supply, although the U. S. steel strike produced a shortage in coal chemicals in that country. This in turn produced shortages in some derivatives of benzol, toluol and xylol which have affected Canadian consumers. Alcohol and solvent withdrawals during summer months were not as heavy as expected. This could be attributed to slow come-back of textile industries, plus a quiet period in the paint industry. Supplies, at present, exceed demand, and while there is no immediate indication of price changes, the market is regarded as soft.

Rubber: Prices have been easier with approximate price of No. 1, R.S.S. from Far East (landed Can. Atlantic seaport) 27c a lb. on Sept. 2, as compared with 30c a lb. a month earlier. Imports of crude rubber into Canada in first six months of 1952 amounted to 36,316,440 lbs. compared with 61,252,808 lbs. for same period of 1951. Adequate supplies of all grades are available from Far East.

Raw Cotton: Middling 15/16 in. in 10 spot markets averaged 38.8c a lb., Aug. 28. The 1952 cotton crop in U. S. was forecast at 14,735,000 bales (500 lb. each). The production estimate compares with last season's estimate of 15,144,000 bales and 1941-50 average of 11,775,000. Indicated lint yield per acre is 277.4 lbs., about 6 lbs. above last season. Raw cotton consumed by Canadian mills in July totaled 23,964 bales (20,590 in June and 28,106 in July, 1951). The International Cotton Advisory Committee looks for world production to exceed consumption for second successive year with consequent easing of world supply situation.

Coal: Industrial coal business at present time is in a very precarious position. There is a considerable tonnage above ground but this would not last long with a short work week for six weeks. There is also at the present time a serious car shortage. Even if Lewis did not call a three or four day week, it is just possible the mines might not get any more working time than this under the existing car shortage. Would suggest very strongly that buyers keep stocks up as high as they can, as it is very likely there will be a suspension of mining the latter part of September.

Non Ferrous Metals: Copper and brass situation has remained relatively stable during past two or three months. Deliveries of all products range from 6 to 8 weeks and no one seems to be going short.

Lead: Lead market appears to be fairly steady at today's price of 15.40c. There are two possibilities for an increase in price; (1) should the Canadian dollar weaken in near future; (2) depending on what tonnage is purchased by the battery companies during September.

Zinc: Market has temporarily leveled off. Purchases of large tonnages of zinc by U. S. galvanizers has been deferred for three or four weeks and there is a possibility that price will once again rise when these purchases begin.

Tin: Prices steady with little likelihood of immediate fluctuation due to shortage of spot tin at the moment. Outlook is for somewhat lower prices but these will not be forthcoming for two to three months.

Aluminum: Is in more plentiful supply than for some time. Ingots appear to be freer supply and mills are quoting around four weeks delivery. Deliveries of utility sheets are being quoted at seven weeks and most other sheets are being quoted at eight weeks. Some extrusions and tubing are taking longer.

Steel: Canadian inventories for steel sheets and bars are still very unbalanced and purchasing agents will find the going quite tough at least until Dec. 31, 1952, and possibly until first quarter of 1953. Facilities for increasing Canadian tonnage which were originally expected in operation by early October now will not be available until early December. Increased tonnages of steel in Canada during 1953 are dependent, to a large extent, on ability of Canadian mills to bring in sufficient iron ore while navigation is open.

There is still extremely heavy demand for steel scrap with prices staying constant. Cast iron scrap was easier during summer but is now tightening.

Paint and Varnish: Supply of linseed oil is adequate with no difficulty in obtaining deliveries. Final governmet estimate for 1951 flax crop was 9,212,000 bus. Approximately six million bus. have been marketed. It is estimated that for 1952 Canada should produce over 12 million bus.

Castor oil and soya bean oil continue in good supply. Tung oil is used in limited amounts by paint industry because of high price in relation to other drying oils.

It was publicly announced today by Mr. A. St. Clair Gordon, President of Schultz Die Casting Company of Canada, Limited, that Mr. James A. McVean had been appointed General Sales Manager of the Company.

Mr. McVean has been in charge of the Toronto Sales Office since April 1947 when he joined the firm after being discharged from the Navy in which he served for 3½ years with rank of Lieutenant. After leaving the Navy, he took a business course at the University of Toronto.

Mr. McVean was educated in Wallaceburg schools, St. Andrews College, Queen's University and University of Toronto. His appointment is in line with Company policy of training and promoting their own employees who show ability and promise. For the present, he will remain in Toronto at the Company's office at 132 Brandon Avenue. *

COMPANY REPORTS

ODEON THEATRES LTD., London, England, and associated companies' trading profit of £6,397,278 for the 53-week period ending June 28, 1952, was 24.8% higher than previous year's £5,125,230. This is the parent company of The Odeon Theatres (Canada) Ltd. and J. Arthur Rank Organization of Canada Ltd.

Consolidated balance sheet shows a reduction in bank indebtedness of £2,437,008 during the year. Together with reductions of the two previous years, this makes a total reduction of £9,509,843. Loan capital repaid during the year amounted to £1,911,275.

Two years' dividends on the 6% preference shares of Odeon Theatres were paid out of the profits for the 53 weeks ended June 28, 1952, bringing dividend payments up to June 30, 1951. Subject to unforeseen circumstances, the annual report states, directors hope to bring the cumulative preference dividend payments up to date during the current year.

Gaumont British Picture Corp. consolidated profit and loss statement for the same period shows trading profit, subject to depreciation, interest and taxes, of £2,895,094 up 1.5% from £2,852,264 for the previous fiscal year. Dividend of 5½% on cumulative first preference shares was paid; dividend on ordinary and "A" ordinary shares was 7½% as compared with 5% the previous year.

British & Dominions Film Corp. trading profits for the 53 weeks ended June 28, 1952, subject to depreciation, interest and taxes, was £331,392, 14.8% less than £389,114 the previous year.

MONPAS MINES has entered into agreement with Mr. Marc Boissonneault of Montreal, whereby the latter agreed to purchase 50,000 shares at 10c payable forthwith and received options on an additional 350,000 shares at 10c to 20c a share. There are 2,153,825 shares now outstanding, leaving 846,175 shares in treasury.

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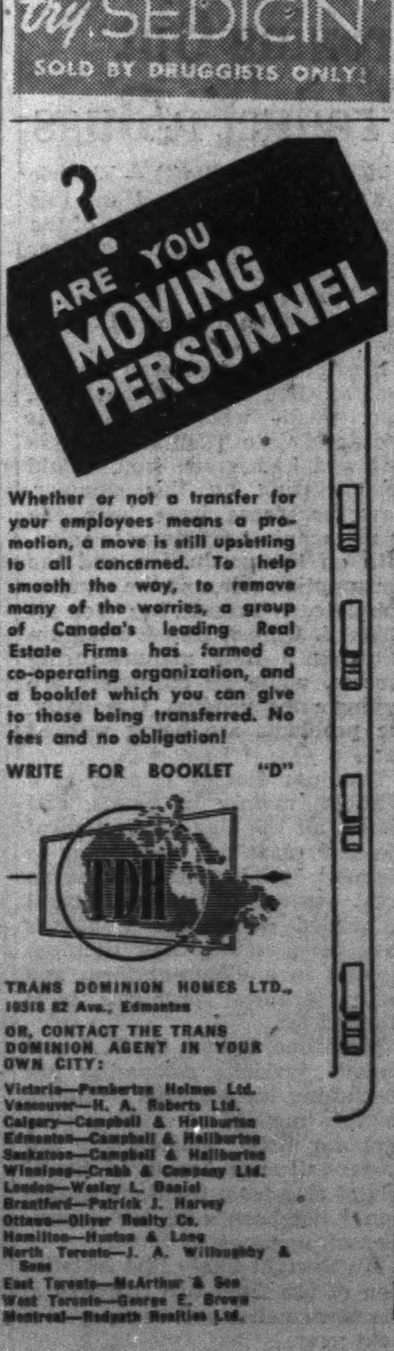

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Trane Co. of Canada Limited

EDWIN C. PHILLIPS

Mr. Grant E. Cole, Executive Vice-President and General Manager of Trane Company of Canada Limited announces the appointment of Edwin C. Phillips as Assistant to the General Manager. Before joining Trane, Mr. Phillips held similar executive responsibilities with Consumers' Gas Company of Toronto. *

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LAKE LINGMAN GOLD MINING CO. reports that Dr. D. J. Walker of Oakville has purchased 400,000 shares at 18c a share and that an additional two months extension has been granted on an option on a further 400,000 shares at 18c a share. There are 2.6 million shares now outstanding, leaving 400,000 shares in treasury.

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The Paper Box Barometer

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Steel production may be the best barometer of a nation's industrial health but paper box output is the best barometer of consumer buying power. For as demand for goods goes at retail level so goes demand for boxes with which to carry the goods to market.

All along the paper box trail, from forest operation to paperboard mill to box plant, the closest suppliers could come to zooming demand last year was three to five months delivery. At that, they turned out a record volume estimated at around $115 millions — 17% over 1950, 35% over 1949.

But things have changed in the last few months. Demand for boxes as for many other goods has levelled off. For the first time since 1939 you can get delivery of boxes within a month's time. For a while this spring you could have them about as quickly as a truck could get them to you.

Why the big change? High inventories and reduced consumer demand in some fields tells the story. Remembering the drastic shortages throughout most of 1951, manufacturers in hundreds of fields started piling up box inventories during first couple of months of this year. Only when the business slow-down became clearly apparent did they stop buying and start to live off inventory. Many of them have been doing that ever since. Recently, however, there has been a definite pickup in orders and manufacturers feel this accelerated trend will continue to the end of the year at least.

Although still operating at slightly lower tempo than last year, most box plants are producing at higher than normal rates. For instance, to date dollar volume in the big corrugated and fibreboard field, which accounts for some 60% of total tonnage, is up 5% over same period last year (tonnage however, was off slightly). Dollar volume in the set-up and folding box fields, which together account for the remainder of box tonnage, is running only 8% below last year.

Since both paperboard and box plants are operating at somewhat higher level than market demand would warrant at the moment, inventories have piled up, particularly at the box level. But box makers feel general business is on the upturn again, that demand for boxes will start picking up sharply from here. If they had cut their production runs sharply and lowered demand for boxboard from paper mills, last year's mad scramble might start all over again, they think. As it is, the paperboard mills in an attempt to meet steadily rising box mill requirements have doubled their output since prewar and are still operating close to peak capacity. Last year they turned out a record 762,000 tons of paperboard, an increase of 51,000 tons over the previous year.

Although demand for corrugated boxes in which to ship scores of military articles is running at peak level, there is no longer any need for the rigid allocation system which operated up to this spring. During last several months defense production industries have been able to get fairly rapid delivery of their box requirements directly from the plants.

Container Salesmanship

Like so many manufacturers in the current, harder-to-sell, market some of the most aggressive box manufacturers are finding that the business is still there if they get out after it.

Nothing is more welcome when general manufacturing costs rise and consumer resistance stiffens than a specially engineered container that will reduce freight charges, or an attractive, eye-appealing box that will help pep up sales of sagging merchandise. Box mills that are experiencing the best sales this year are those which have come up with these new products, specially designed for the customer's individual requirements.

Some of the most remarkable developments in the box field since end of the war have been in corrugated and fibreboard boxes. Majority of the improvements which have enabled these boxes to get into the many shipping channels with a steadily increasing assortment of goods have grown out of wartime experiments. Better engineering has added strength, compactness; vastly improved glues have helped in the same direction; better resins have improved moisture resistance immensely. Now everything from beer to refrigerators is being transported in the corrugated box and the list is still lengthening. Before the war about the limit of the corrugated box's weight carrying ability was around 65 lb, now it's up to 500 lb.

The tremendous increase in retail unit packaging — or self-serve — has expanded the market very greatly for the folding and set-up boxes. Take for instance, food products (which are currently consuming about 35% of total paperboard tonnage used in boxes), such items as meats, sea foods, cake mixes, and add to these the multitude of other items for hardware and clothing, which before the war were packed in bulk quantities and are now packaged in single units for convenience in merchandising and economy in handling, and you come up with a huge expanding market potential for the paper box manufacturer.

NATIONAL TRUST APPOINTMENT

MR. R. V. MacCOSHAM

Who has been appointed a member of the Advisory Board of National Trust Company at Edmonton. Mr. MacCosham is President of the MacCosham Storage & Distributing Company, Limited. *

Agnew-Surpass Plans To Pay Stock Div'd

A special meeting of shareholders of Agnew-Surpass Shoe Stores, Ltd., Brantford, Ont., will be held Sept. 17 to authorize creation of $1.5 million debentures and an issue of 5½% cumulative preferred stock, par $10 and payment of a stock dividend.

Directors propose to take advantage of the provisions of the Income Tax Act permitting the company to pay a tax of 15% on an amount equal to its undistributed income as of May 31, 1949, to capitalize the balance of such income after payment of the tax and to distribute the capitalized amount to the shareholders as a stock dividend in preferred shares.

The amount to be capitalized will, after payment of about $246,164 tax, be about $1,394,000. The stock dividend in preferred shares will have a total par value of about $1,390,000.

Each common shareholder will receive 3.45 preferred shares for each 10 shares of common stock held. It is proposed that any fractions of preferred shares be redeemed or purchased by the company on the basis of $10 for a full preferred share. Company's solicitors advise that the preferred shares will be received by the shareholders free of Dominion income tax liability.

It is also proposed that $1 million of the debentures be issued as 5% redeemable debentures, maturing annually for six years, and to be sold at par.

Proceeds of the debentures are intended to be used to redeem about 70% of the then outstanding preferred shares pro rata for cash.

After such redemption, holders of common shares who participate in the transactions will have received cash and preferred shares on the basis of $24.10 in cash and (subject to special treatment in respect of fractions) 1.04 preferred shares for each 10 common shares then held.

Directors intend to declare and pay common dividends at the rate of 10c per share quarterly on completion of the transactions, provided earnings warrant it.

Capitalization outstanding at May 31, 1952 consisted of 402,944 n.p.v. common shares.

Que. Titanium Ironing Out Product'n Bugs

MONTREAL (Staff) — Electric power is being turned on this week at the second furnace of the $13 million ilmenite ore smelter of Quebec Iron & Titanium Corp. The third furnace is expected to be in operation by the end of this year.

Previously, it had been thought that all five units at the Sorel, Que. plant, where ilmenite is processed into titanium dioxide slag, and high-grade iron, would be operating by this summer. However, there have been the usual technical problems to solve, both on the production and the consumption side, and the completion date, as a result, has been set forward. Quebec Iron & Titanium is using a new manufacturing process, while its customers are buying a new product. Gradually, the problems are being worked out.

Titanium dioxide is used as a pigment, mainly in paints, and almost all the slag production of the new plant has been going to pigment producers. While no great amount of new equipment is needed to process it, buyers have been getting their titanium dioxide in a different form and many technical problems have cropped up.

Meantime, in both the U. S. and Canada, various companies are continuing their efforts to find a suitable method of making pure titanium metal, a potentially important structural material. Small lots of slag from the Sorel operation have been sold for experimental purposes.

It's thought likely that installation of the final two furnaces at the new smelter will be completed next year.

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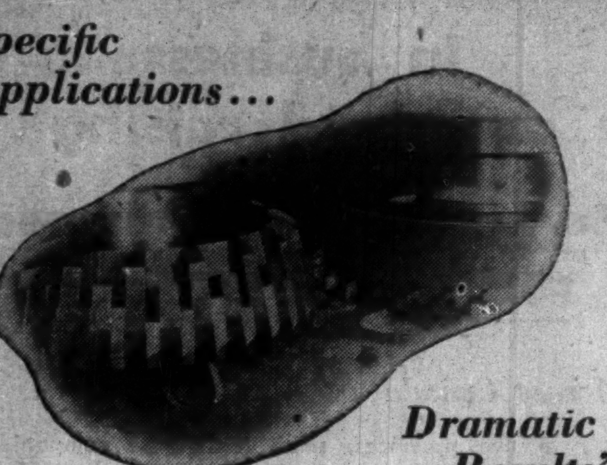

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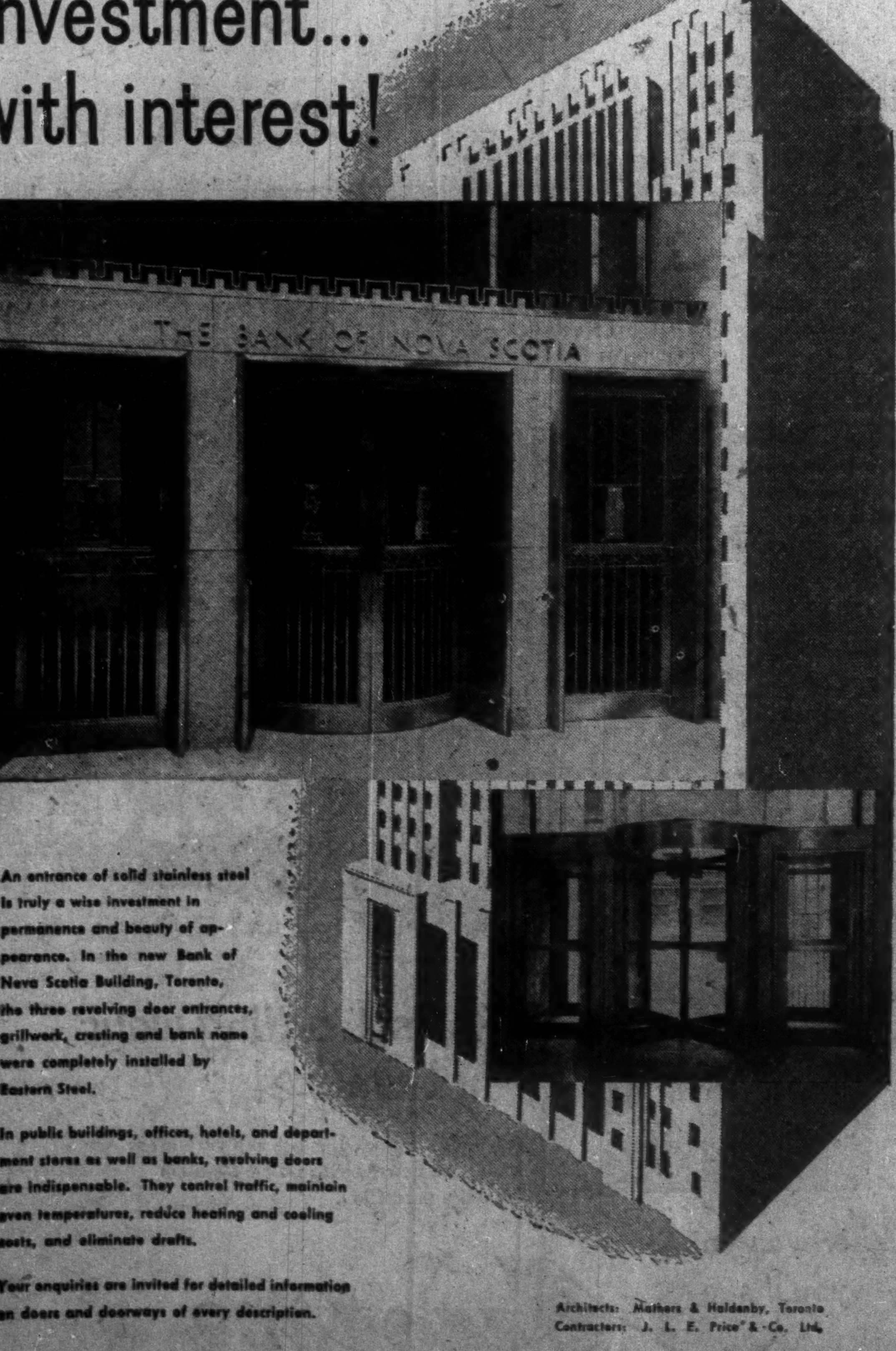

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How Can Cost of Education Be Cut?

The Question: For many municipalities education costs have soared. Could wise economies be made? What could you suggest?

There can be no hard-and-fast rule for cutting costs in education. That's the consensus of replies to The Financial Post question this week.

"Eliminate the frills" is suggested most often, but against that are the recommendations that nothing should be done to lower in any way our standards of education.

"We have probably been too shortsighted in the salary levels for our teachers and too generous with buildings and equipment," comments one Ontario businessman.

G. ABRAMS, Vice-Pres. & Treasurer, Victory Mills Ltd., Toronto.

Rising costs are of course a general problem in all activities today. Careful scrutiny of municipal expenditure for education, particularly for buildings and equipment which sometimes seem to be elaborate, is important. Inter-municipal arrangements for pooling of services in some areas, development of intermediate schools and maximum use of buildings by pupils and public occur to me as possibilities for more economic employment of equipment and staff. On the other hand it is important to have remuneration and facilities of a kind to attract right type of teaching and administrative personnel.

* * *

H. S. FRY, Editor, The Country Guide, Winnipeg.

In periods of inflation, economy is usually masked by increased building equipment and salary costs. In urban school areas, builders have been bedevilled by shortages of teachers and classrooms arising from postwar housing development and chronic shortage of teachers. Some may have mistaken frills for education. Rural school costs are often related to the costs of operating institutions outmoded 20 years ago. I believe the answer here is the larger unit with its more progressive and economical administration. Nevertheless, area boards are subjected to the pressure of prices as well as taxpayers demanding previously unsanctioned facilities, thus tending to mask the economies achieved by the larger unit.

* * *

H. R. JACKMAN, President & Manager, Debentures & Securities Corp., Toronto.

Substantial economies are not apparent but the Ontario Government's closing down on educational "frills" is all to the good. Home ownership cannot shoulder all the burden and essential education must come first.

Problem arises from lack of adequate municipal taxation base equal to services demanded. Education costs as a charge on home owning is a left-over of the feudal system when real property was the chief form of wealth. In the depression, it was a cause of severe unemployment in the building trades. Suburban municipalities with a multitude of children to educate and without industries to share the tax burden are in an impossible situation.

Today real estate is a minor form of wealth; the education burden is better shared by income and corporation taxes and other forms of wealth and spending. All benefit from an educated citizenry.

I recommend extension of policy of provincial government sharing education costs with help from overflowing federal treasury, if necessary. Municipalities should as a start be relieved of all costs above primary education. There is no sounder citizen than the home owner.

* * *

G. H. KITCHEN, Kitchen Bros. Fredericton.

Many school buildings are far too costly. It would appear advisable to erect less ornate structures. In municipalities where present buildings are not large enough to accommodate the number of pupils, I would suggest an attempt be made to double classes. This one group could cover a day's work in the morning and another group use the same space in the afternoon. The resultant saving in building costs would more than make up for increases in teachers' salaries.

* * *

H. E. LANGFORD, General Manager, Chartered Trust & Executor Co., Toronto.

Expenditures on education can be reduced if citizens adopt a more realistic approach to this subject. We must not allow clichés like "nothing is too good for our children" to take the place of common sense in planning our educational program. In recent years too large a proportion of our educational budgets are being used for things which from the viewpoint of basic education may well be called fringe benefits. If these were reduced, our educational expenditures could be concentrated on teachers, salaries and other essential expenditures without in any way prejudicing the long range welfare of our children.

* * *

O. W. LARRY, Town Clerk-Treasurer, Trenton.

First, I believe that the investment in education is fundamental in protecting the freedom which we enjoy at present. The monetary cost of this investment is one which is influenced by three principal factors; one, teachers' salaries and school operations; two, building materials and labor costs; three, architectural and functional design.

With the adjustments in the schedules in teachers' salaries that have taken place in the last few years, there should be little increased costs in this factor. The costs of materials and labor for new schools are competitively set in the construction field and comparatively uncontrollable. The third factor, that of architectural and functional design, would seem to be the most vulnerable point for attack. Fortunately, the Department of Education seems to be adopting a policy of greater control in approving plans for new schools, thus eliminating unnecessary accommodations or fancy construction. This in conjunction with local boards' judgment is the only way that effective economics can be made.

* * *

F. R. LOUNT, Former President, National House Builders' Association, Winnipeg.

Why build expensive and monumental school buildings which will stand for generations? The requirements for school buildings change with the time. Let's have modern low-cost functional buildings of a more temporary nature. Simplicity can cut down the initial cost and the upkeep, make it a multiple-use building, school, Sunday School, community club, etc.

* * *

T. C. MACNABB, Canadian Representative, Rotary International Board, Saint John, N.B.

Real education is our country's only wealth, sham education is extravagance. We remember from our school days the people who taught us, their personality drives us still.

Make teaching a masculine job. Train teachers under great teachers. Pay teachers greatly in money esteem and recognition: we will get returned great worth, example, light, leadership and character. Quit extravagant palatial central building; there is no education in the herd. Use schoolhouse day and night for public education. Take the emphasis off big showy externals. Place it upon great teachers greatly trained. These will finally return for every dollar wisely spent in real education one hundred fold.

* * *

J. L. McDOUGALL, Prof. of Commerce, Queen's University, Kingston.

Your question is much too practical. How can one tell what is unwise spending when there is little or no agreement on what education is, what it should try to do to those exposed to it and whether it can, in fact, do half the things claimed for it.

Let us first try to clear our minds.

If we could rise to that effort, we might even discover that once a basic minimum is passed the amount of money spent has little relation to the quality of the work done. Without clear thinking you will get nowhere against an uncritical feeling that everything called education is good and more of it is better.

* * *

H. J. McLAUGHLIN, Q.C., McLaughlin, Johnson, Moorhead & Macauley, Toronto.

I believe it to be very important that we do not allow our standards for education to slip. This would be easy to do when faced with the higher costs of everything in 1952 dollars. Our standards should go up rather than down, and I question whether the cost of education to municipalities is very much higher than prewar when the reduced value of the dollar is taken into consideration.

* * *

H. ORLIFFE, Chairman, Board of Education, Toronto.

It is important to differentiate between the comparatively stabilized position of a municipality like Toronto, where educational costs have represented only one third of general taxation each year for the last 30 years, and the unsettled position of municipalities surrounding Toronto where population is growing by leaps and bounds.

In Toronto salaries, insurance, school and caretakers supplies, fuel and debt charges account for fixed expenditures of 84% of the cost of education. That leaves very little scope for exercise of economy.

Educational authorities are torn between two conflicting forces: a demand by the public for more services and an enlarged curriculum on the one hand, and on the other hand a demand for curtailed expenditures in a time of increased taxation but nevertheless also of economic boom.

Generally speaking, I would say there has been no overspending in current expenditures, although careful and efficient supervision can effect some economies. Where economies can be effected and where the greatest care should be exercised is in capital expenditures, for example in a school such as Lawrence Park Collegiate where an auditorium exists with a capacity of 550. To spend half a million dollars as is planned to build a new auditorium to seat 1,000, which will not affect the education a student of that school will receive one iota, is unwise from the point of view of the taxpayer. Nevertheless, we should guard against a sudden panic which might result in a loss of educational gains that have been made in the last decade.

* * *

DR. W. P. PERCIVAL, Deputy Minister of Education for the Province of Quebec.

Economies in education can be obtained mainly at expense of the child. A $25 suit won't look as well or last as long as one costing $75. If highest teacher efficiency is to be obtained, teachers must be suitably trained and salaries offered to attract those with fitting intellectual and emotional characteristics.

Fireproof buildings are needed to protect life. This entails expensive steel and concrete construction. Former ideas of four walls and a blackboard for a class are outdated. Gymnasia are required to develop fitting physical and social characteristics. Household science, physics, art and other special classrooms are essential for pupils with differing tastes and abilities. Other sources of revenue are needed, particularly in rapidly expanding suburban areas but to curtail serv-

(Continued on page 14)

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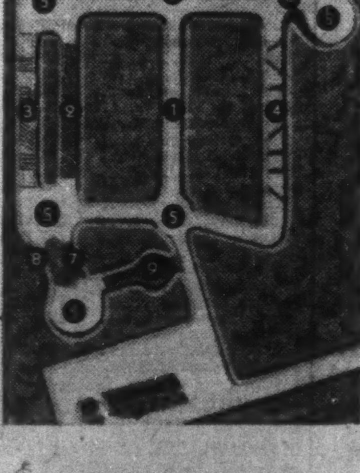

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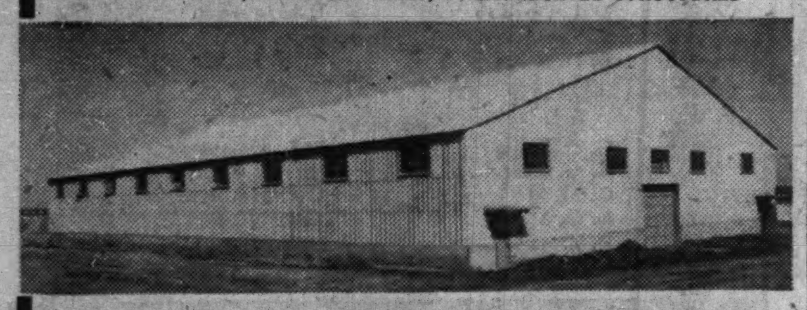

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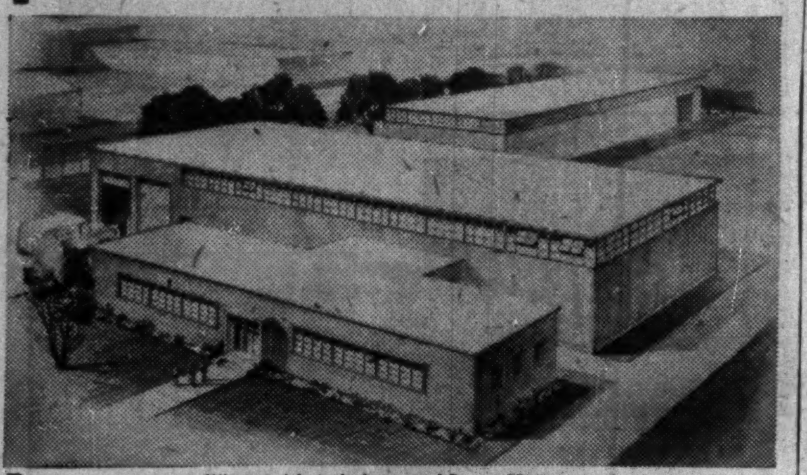

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How Can Cost of Education Be Cut?

(Continued from page 13)

ices will be detrimental to development of future Canadian citizens.

* * *

J. HARVEY PERRY, Director of Research, Canadian Tax Foundation, Toronto.

Next to defense, the financing of education is today's major fiscal problem. Fortunately, it is now receiving more study than at any time in the past 100 years. Provincial governments have increased their grants substantially in recent years, although rising costs have still left municipalities with a heavy burden which rests almost solely on property owners. The Federal Government is now providing help to the universities, but has avoided the pitfalls of incursion into primary and secondary education. The nub of the problem is the same throughout; how far can senior governments go in relieving governments in lesser jurisdictions of the burden of financial cost without undermining local interest and pride in schooling?

Undoubtedly some further economies can be made. Rural unification of high schools is far advanced in nearly all provinces, with resulting economies of smaller staffs, lower maintenance costs and bulk buying of supplies, offset to some extent by the expense of school buses for pupil transportation. The possibilities of such savings have hardly been exhausted, and more might be achieved along the same line in rural primary education, always subject to the reservation that the larger the school district the less the likelihood of a lively local interest.

The problem of financing urban education is so closely tied to the general problems of metropolitan areas that it is hard to distinguish it. Rapid population shifts are leaving surplus facilities in the large cities and creating acute shortages in the perimeter areas. Some relief can be obtained by sending children in to city schools, but the city schools nearest the perimeter are usually crowded themselves. Perhaps some real economies could be achieved by more extensive use of the rural technique of unification of education in metropolitan areas, using school buses for pupil transportation. Planning future developments as far ahead as possible should also eliminate periodic financial crisis.

* * *

WALTER T. READ, C.A., Clarkson Gordon & Co., Regina.

I doubt if any substantial economies can be effected in Saskatchewan. The most important cost increase is salaries, and they are still comparatively low, particularly in rural areas. Another factor is the amalgamation of small areas into larger units, but this has produced in my opinion a much improved calibre of instructors in poor areas. A third reason is the rapid increase in the number of school-age children following the war, resulting in very substantial capital expenditures. Largest part of cost is in salaries and maintenance, sometimes not under the control of school officials but rather under school and union officials. It is difficult to see where a reduction in mill rate can be effected.

* * *

J. H. L. ROSS, Vice-President & General Sales Manager, Industrial Acceptance Corp., Montreal.

All costs have soared. In addition, our population grows and more children attend school for an increasing length of time. Suggest we beware of false economy. We should make no economy which would have any adverse effect on the quality of instruction or educational materials available to young Canadians. Their horizons are bright and on them rests the responsibility for developing Canada's wonderful future.

Fully qualified and enthusiastic teaching staffs are essential and we must pay whatever is necessary to attract and keep them. Harmless savings can undoubtedly be made by eliminating some of the extra facilities which seem prevalent in new school buildings and keeping our eye on the matter in hand — education.

* * *

A. H. STOTT, Victoria Daily Times, Victoria.

Mass education resulting from insistence by most parents that their children go through high school or higher, whether or not they have scholastic abilities, overload schools, necessitate new buildings and require widely diversified courses to suit the capacities of the nonscholastic.

A return to stricter academic standards which would shake out many nonacademic students, would relieve the physical overload, ease the demand for more schools and more staffs. Fewer students would remain in school, some soft-touch courses could be eliminated, costs would be cut, provided Canadian parents — who, as taxpayers, meet the bills — favored that course and reassumed some of the training the school has taken over from the family.

* * *

W. C. WOOD, President, W. C. Wood, Guelph, Ontario.

The quality of education depends on the quality of teachers, not on elaborate equipment and buildings, therefore we have probably been too shortsighted in the salary levels for our teachers and too generous with buildings and equipment. I believe substantial savings should and can be made in cost per classroom. I suggest all cities employ full-time architect responsible for all public buildings including schools. It is a waste of both equipment and teachers to insist that everyone stay in school until 16. Suggest students over 14 be required to maintain a certain standard if they are to remain in school.

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NEW ALGER MINES reports that Alator Corp. has taken down and paid for 125,000 shares at 10c a share and 100,000 shares at 15c a share, leaving a balance of 100,000 shares at 15c payable by November 29, 1952. There are 1,947,168 shares outstanding and 1,059,832 shares in treasury.

DONALDA MINES has informed the Montreal Curb Market that Stuyvesant-North Ltd. has taken down and paid for 256,500 shares of stock at 50c a share. The company's entire 4.5 million share authorized capital is now outstanding.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

POWER CORP. OF CANADA net profit of $1,857,027 for the year ended June 30, 1952, was 12.6% greater than previous year's net of $1,649,496.

Combined value of corporation's investments in and advances to subsidiary and affiliated companies, and other investments, based on available market prices or estimated values, totaled $41,096,472 at fiscal year's end, against a book value of $30,218,261. These figures represented increases of, respectively, 5.6% and 6% from $38,925,804 and $28,519,335 a year earlier.

There was an increase of over 3% in the combined kilowatt output of the subsidiary and affiliated public utility companies during the fiscal year, reports President A. J. Nesbitt. Customers served by these companies showed an increase of 17,280 to 493,083.

INCOME ACCOUNT

Years Ended June 30:	1952	1951
Net earnings	$2,532,827	$2,084,546
Less: Depr., furn. & fixt.	6,600	4,800
Deb. int.	231,200	189,750
Income tax res.	438,000	240,500
Net profit	1,857,027	1,649,496
Less: 1st pref. div.	300,000	300,000
2nd pref. div.	300,000	300,000
Common div.	714,184	580,274
Surplus for year	542,843	469,222
Times Deb. Interest Earned	10.96	10.99
Earnings per Share and Dividend Record:		
1st pref.: Earned	$37.14	$32.99
Paid	6.00	6.00
2nd pref.: Earned	15.57	13.49
Paid	3.00	3.00
Common: Earned	2.82	2.35
Paid	1.60	1.30

CONDENSED BALANCE SHEET

As at June 30:	1952	1951
Cash	$1,483,380	$225,377
Accts., etc.	228,673	218,813
Total curr. assets	1,712,053	444,190
Invests.†: Misc.	10,505,629	9,069,842
Sub. & affil. cos.	15,303,529	15,251,894
Loans, less res.	4,409,103	4,177,599
Furn. & fixtures*	35,645	32,559
Ref. EPT	......	5,157
Deferred exp.	10,900	9,492
Total assets	31,976,859	29,010,733
Accts. pay. & accr.	239,600	137,356
Taxes	217,111	143,314
Divds. pay.	150,000	150,000
Total curr. liab.	606,711	430,670
Funded debt	7,900,000	5,550,000
Capital stock	15,012,720	15,012,720
Special reserve	3,979,897	3,974,745
Surplus	4,477,531	4,042,598
†Total mkt. val.	41,096,472	38,925,805

*After depreciation.

HIGHLAND DAIRY LTD. net profit of $7,805 for the year ended March 31, 1952, was 2.6% less than previous year's $7,930.

While dollar volume of sales increased slightly during the year, higher costs and taxes were also recorded.

INCOME ACCOUNT

Years Ended Mar. 31:	1952	1951
Sales	$1,159,104	$1,124,486
Less: Cost of sales	654,616	640,384
Gross profit	504,488	484,102
Less: Oper. & admin.	494,463	474,201
Inc. tax	2,220	1,971
Net profit	7,805	7,930
Less: Pref. divds.	7,120	7,120
Surplus for year	685	810
Earnings per Share and Dividend Record:		
Preferred	$5.48	$5.57
Paid	5.00	5.00
Common	0.04	0.04
None paid.		

Dividend arrears on preferred amounted to $9.50 per share at Dec. 31, 1951.

CONDENSED BALANCE SHEET

As at Mar. 31:	1952	1951
Cash	$4,973	$8,069
Accts., etc., rec.	34,116	32,816
Inventories	8,105	9,486
Total curr. assets	47,194	50,371
Prepaid exp.§	348	369
Misc. assets	1,998	348
Goodwill	55,551	55,551
Fixed assets*	207,390	229,909
Total assets	312,481	336,548
Bank adv. (sec.)	2,769	26,920
Accts., etc., pay.	115,619	113,558
Taxes pay.	1,612	1,421
Total curr. liab.	120,000	141,899
Capital stock	178,925	178,925
Surplus	13,556	15,724
*After depr. of	172,638	158,330
§Incl. in curr. assets in co's report.		
Excess of curr. liabs. over curr. assets	72,806	91,528

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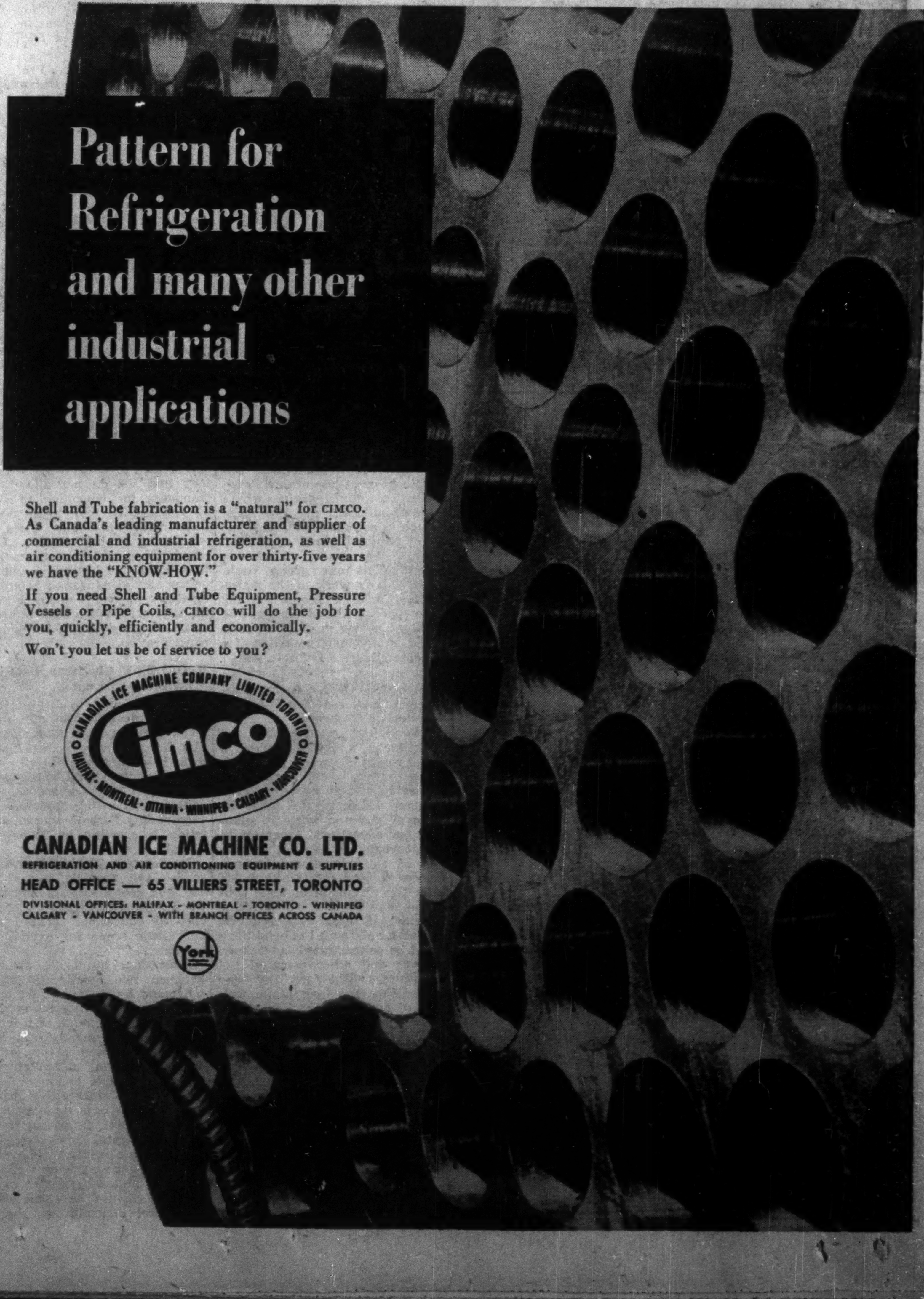

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Trend of Business

Department store sales week ended Aug. 30 up 11.2% over year ago. Biggest increase, 38.8%, in Maritimes. Only decrease was 0.8% in Saskatchewan.

Railways operating revenue and expenses set new highs in May, up 8% and 7.2% respectively from year ago.

Oil pipelines volume in May up 30% over previous month, 16.6% over year earlier. Volume of Alberta crude exceeded imported crude for the first time in history.

Dwelling units started in first half 1952 down 8% from last year, completions down 27%. Over-all decrease of 14% in number of dwellings in various stages of construction at mid-year.

Gold production off 1.5% in first six months 1952.

Base metals production in first half this year 6.3% lower than same period in 1951.

Visible wheat supplies in North America up 17.5% over year ago at last report.

Butter stocks in nine cities at Sept. 1 42.4% higher than year ago.

Commercial failures up 17% in first half of 1952 over same period last year. Estimated liabilities up 16%. Slightly over 75% of bankruptcies occurred in Quebec this year.

Major Weekly Indicators

	Latest Week	Week Ago	Month Ago	Year Ago
Department store sales (% ch. from year earlier)	+11.2	+18.4	+15	+11
†Car loadings, total (cars)	84,462	82,905	81,943	*
†Eastern Canada (cars)	53,262	51,624	52,871	*
†Western Canada (cars)	31,200	31,281	29,072	*
†Steel & Steel products (cars)	1,683	1,639	1,871	*
†Ores & concentrates (cars)	4,659	4,421	4,924	*
†Lumber, lath & shingles (cars)	....	4,709	3,942	*
†Base Metals (cars)	....	601	506	*
Motor vehicle production (units)	8,426	8,616	2,528	5,747
Bus Failures (4-wk. moving av.)	11.5	16.0	12.3	13.7
Bank of Canada holdings of securities ($ millions)	2,170	2,154	2,131	2,267
Short term governments ($ millions)	1,303	1,296	1,280	1,340
Long term governments ($ millions)	855	848	839	885
Other securities ($ millions)	11	11	11	41
Canadian Dollar (U. S. cents, average)	104.132	104.038	103.943	94.681
T.S.E. Industrials index	320.15	329.04	332.54	355.86
Bank Clearings				
Montreal ($ millions)	373	390	397	420
Toronto ($ millions)	400	413	387	389

†Last issue's figures; latest available.

Facts by the Month

	Latest Month	Month Ago	Two Mos. Ago	Year Ago
WHAT WE PRODUCE—				
▪In all industries (Index)	218.0	218.8	213.8	218.8
▪In factories (Index)	222.1	223.1	219.5	225.9
▪Total nondurable goods (Index)	194.5	195.2	192.8	196.4
▪Food & bev. (Index)	212.2	208.3	203.3	203.1
▪Textiles (Index)	126.7	131.6	135.7	179.6
▪Clothing (Index)	130.7	136.4	137.0	138.1
▪Chemicals (Index)	225.5	224.3	217.7	216.2
▪Total durable goods (Index)	269.6	271.0	265.4	276.5
▪Iron & steel products (Index)	256.3	257.0	259.0	254.2
Primary iron & steel (Index)	324.7	324.7	328.8	321.5
▪From mines (Index)	132.1	163.9	163.5	....
▪Metals (Index)	115.0	111.4	118.8	114.5
▪Nonferrous smelting, refining (Index)	148.5	145.0	150.6	....
▪Gold (Index)	104.7	99.6	106.7	101.9
—From farms				
Hogs graded (000)	396	426	533	285
▪Cattle delivered (000)	101	156	116	111
▪Flour (Index)	166.1	163.2	164.3	....
—From sea				
E. Coast catch ($000)	5,799	5,468	2,524	4,886
W. Coast catch ($000)	2,751	2,477	428	2,479
—From forests				
Newsprint (000 tons)	486	452	496	452
Pulp (000 tons)	682	766	741	773
—In powerhouses				
Electricity (Index)	240.2	245.6	235.5	226.8
WHAT WE SELL—				
Retail sales ($ millions)	978	1,053	920	940
Dept. store sales ($ millions)	56	77	84	54
Country store ($ millions)	47	50	43	49
Wholesale sales (value index)	369.2	390.3	361.5	357.3
Pass. car sales (units)	32,973	37,691	29,942	23,033
WHAT'S ON HAND—				
▪Mfrs. inventories (value) (Index)	186.9	187.0	187.3	176.9
Dept. store stock/sales ratio	2.5	2.4	2.7	3.4
SPENDING, SAVING POWER—				
Labor income ($ millions)	876	854	852	792
▪Industrial payrolls (Index)	423.5	420.3	410.6	392.5
Dividend payments (Index) (annual rate)	243.4	244.3	247.0	235.8
JOBS—				
▪Employment (Index)	184.5	182.5	177.4	183.6
▪Mfg. employment (Index)	190.6	190.9	188.7	193.9
BUILDING—				
Contract awards ($ millions)	139	204	176	363
Housing starts (units)	9,801	7,127	3,555	11,699
FOREIGN TRADE—				
▪Exports ($ millions)	375	381	347	313
Imports ($ millions)	324	386	324	360
MONEY—				
▪Money supply ($ millions)	4,870	4,812	4,849	4,750
▪Cheques cashed ($ millions)	10,945	10,525	10,711	9,032
Savings deposits ($ millions)	4,792	4,679	4,757	4,559
Current public loans ($ millions)	2,892	2,845	2,800	2,898
Life insurance sales ($ millions)	211	198	194	173
GOVERNMENT—				
Federal surplus (cumulative) ($ millions)	262.5	241.1	99.6	283
PRICES—				
▪Cost of living (Index)	187.6	188.0	187.3	188.9

Production indexes show volume changes seasonably adjusted where possible.

Index bases: production, wholesale sales cost of living, 1935-39=100; employment, payrolls, 1939=100; manufacturers inventories, 1947 average=100.

DEFENSE-IMPORTANT MATERIALS—Production and Supply—

	Latest Month	Month yr. ago	Yr. to date	% chge. yr. to date
Steel ingots and castings (000 tons)	331	313	1,610	+5
Net imports, primary shapes (000 tons)	153	116	471	+56
Primary copper (000 tons)	20	23	131	—5
Nickel (000 tons)	13	12	71	+5
Cement (000 bbl.)	1,541	1,429	8,791	+5
Lumber (million fbm)	650	637	2,491	unch.
Exports (million fbm)	280	297	755	—6

▪New item this week

Date for your file: Financial Post, Sept. 13, 1952.

Quebec Hydro Wants Voice On St. Lawrence Seaway

MONTREAL (Staff) — Quebec Hydro-Electric Commission contended before the International Joint Commission this week that it should be given a say in any St. Lawrence Seaway plans which would affect the river flow adversely.

The Commission, which operates the huge Beauharnois power developments above Montreal, doesn't object to the plans for the seaway and power development in the form which now appears to have taken shape. But before any amendments are put through, Quebec Hydro wants to make sure it can overrule them if necessary.

The move is not regarded here as an attempt by the province to block the seaway or the international power development. It's understood to be merely an effort to make sure, for instance, that at no stage in the construction of the waterway or power facilities will the Quebec power plants suffer for lack of water during a high demand period, when, by doing things a different way or choosing a different time, the trouble could be averted.

Hon. Paul Sauve, provincial Minister of Youth and Welfare who appeared for the province, emphasized that the government was most anxious to co-operate in helping Ontario get much-needed power. But a change in the St. Lawrence flow could hurt Quebec, and decisions on development along the St. Lawrence should be made with the consent of all parties involved, including Quebec, he contended.

Rene Dupuis, Quebec Hydro Commissioner, pointed out that Quebec's power production farther down the St. Lawrence will be three times that of either Ontario or New York state in the proposed international power development, and a change in flow could affect Quebec's interests considerably more than those of Ontario or the U.S.

Submissions were also made at this week's public hearings before the International Joint Commission in connection with the proposed deepening of the waterway, via the Richelieu River, between Montreal and New York. General A. G. L. McNaughton, Canadian chairman of IJC, said that the 12-foot canal scheme would be discussed after agreement had been reached on the St. Lawrence River power project.

Auto Mechanics Ask To Strike

From Our Own Correspondent

CALGARY — Local 429 of the Auto Mechanics' Union, plans to apply to the Board of Industrial Relations for a strike vote and will ask the board to act as arbitrator in the current wage dispute.

At the same time, the union has decided to ask the Combines Investigation Commission in Ottawa to look into the operations of the Calgary Automotive Trade Association and the Calgary Automotive Dealers' Associaton.

The union charges that Calgary garages, operating under the C.A.T.A. and C.A.D.A. have been establishing the "charge out" rates and the pay rates for mechanics and body workers.

The wage dispute involves mechanics who are employees of three Calgary garages, Calgary Motor Products Ltd., Maclin Motors Ltd., and General Supplies Ltd. The union is asking hourly wage boosts from $1.50 to $1.65 and for a 40-hour work week.

According to provincial regulations, no strike action can be taken until Sept. 18.

PRICE BROS. & CO. reports 2,191,428 common shares outstanding as of Aug. 21, 1952.

McNair Facing Stiff Test In Sept. 22 N.B. Election

From Our Own Correspondent

FREDERICTON—With polling day in the provincial election less than two weeks away (Sept. 22), even its staunchest supporters admit New Brunswick's Liberal regime is facing its most testing time since the Dysart administration was swept into power in the 1935 contest.

Shaping up for Premier J. B. McNair and his three colleagues is their stiffest fight for re-election since 1939, when a Liberal ticket headed by Mr. McNair, as attorney general, was defeated by a four-member Conservative combination in York County.

With the 11th-hour entrance of an Independent Liberal ticket in the five-seat Gloucester constituency this week, presaging a break in the traditionally solid French vote, the opposition stock took a rise as the eight-weeks' campaign moved into the final stages.

While the Tories are hailing the third Gloucester ticket as a sign of an impending break in the solid North Shore Liberal vote, the government is equally confident it can obtain sufficient seats to retain control of the province's 52-seat legislature.

However, with a trend against the government mounting instead of receding as the campaign nears its close, and the Socialist CCF only fielding a forlorn-hope 12 candidates a Liberal defeat at the hands of its traditional Progressive Conservative opponents would not come as too great a surprise to the majority of political observers here.

"Sunday Punch" Ahead

Capital political crystal gazers have already written off an even dozen of the 47 Liberal seats in the last legislature and moved another 18 into the doubtful column, leaving the government and the P.C.'s with 17 victories each at the moment. They point out, however, there is always the chance that before Sept. 22, Premier McNair may deliver a "Sunday punch" and retrieve apparently earlier lost ground.

A certain measure of support for the belief held by many that a defeat is in store for the 12-year-old McNair administration is seen in evident anti-government feeling in some quarters, that was lacking in 1944 and 1948, plus the hard-to-beat "they've been in too long" philosophy.

Major planks in the government platform are no international unionization recognition for public servants, its implementation of social services and tax rental agreements and the administration's general record of achievement during the past 12 years.

On the other hand the P.C.'s are ignoring the unionization question as an issue, claiming it is a private fight between the government and its employees, and centering their attack on the Liberal administration's 4% provincial sales tax imposed in 1950.

Both the Tories and a negligible CCF promise a gradual reduction of the sales tax if and when it is found possible after taking office.

U.K. Contractor To Seek Entry Canadian Field

(Special Correspondence)

LONDON—Malcolm D. McAlpine, a partner of Sir Robert McAlpine & Sons Ltd., one of the largest U. K. construction firms, will leave for Canada with other members of his firm September 23 for a month's visit to Eastern Canada to investigate possibilities of entering the Canadian market.

He refuted rumors of buying into a Toronto construction firm and stated he was not interested in starting Canadian work on such giant subcontract projects as the Seaway.

"If we enter the Canadian market (and we have turned down South African and Australian markets), we want to start on our own feet. We are not interested in either buying up or buying into a Canadian firm," said Mr. McAlpine.

"We are definitely interested in the Canadian market, but if we start we want to start in a small way. We are interested in the long-term prospects of working for firms such as the oil companies, engineering companies and the aluminum company who know us in the U. K."

The type of work the company has its eye on in Canada would be all types of civil engineering and construction, with the exclusion of home construction.

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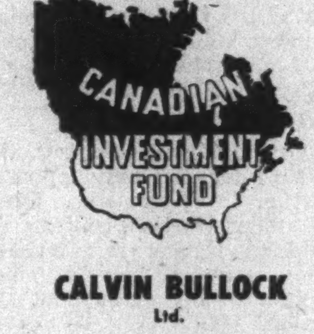

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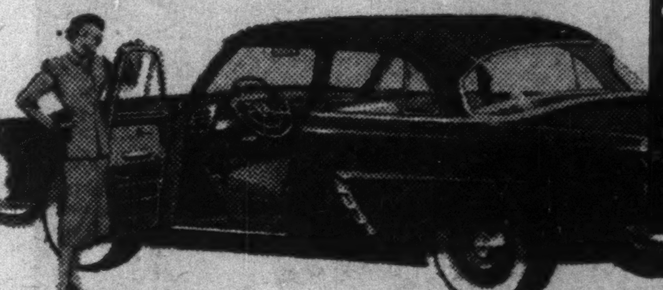

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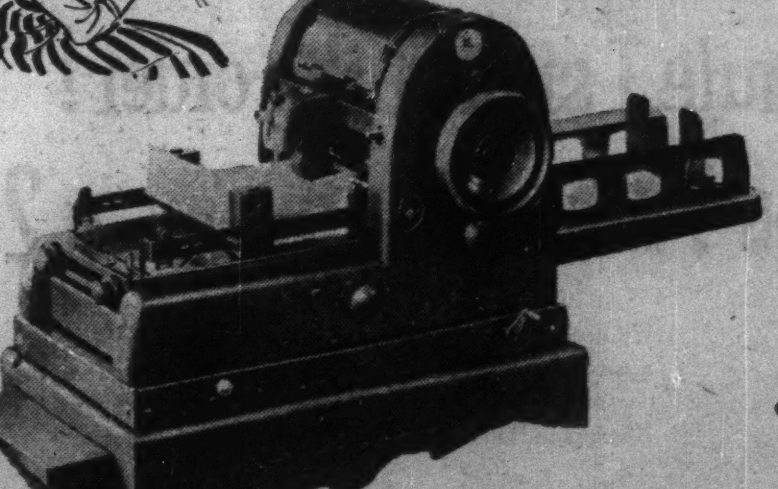

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What's New

Manufacturers of products which are either completely new or are being made in Canada for the first time are invited to contribute to this column. Describe the product, state its purpose, outline in what respect it is new, and indicate its significance, to its field.

Chassis Cure

Bumps and dents in auto body can be repaired by using special metal filler which will take a 350-degree infra-red bake and any type of lacquer or synthetic finish. Only equipment necessary is a blow torch or soldering iron.

Pocket-Size Binocular

New model binocular has 600-foot field; is 2½ inches long and weighs 11 ounces.

Sunny Shade

Sheeting, made of Vinylite plastic, custom cut to required size, is easily applied to windows. Permits sunlight to come through but resists glare, moisture, mold, mildew, oils, grease, alcohols and many chemicals.

Auto Skid Control

Automobile gyro-stabilizer, diminishes danger from slipping on wet or icy pavements. Device maintains traction, controls side skidding, lessens vibration or car body sway, and helps distribute weight evenly throughout skid action.

Anti-Short Circuits

Fuse-like device provides permanent circuit protection against overloads and short circuits. Fits in standard plug-type fuse holders; will be produced in ratings of 15, 20 and 30 amp. for 110-125-volt a-c service. Flow of current restored after a "blow" by pressing a shock-proof reset button.

Fish Eyes

Aluminum device, fitted with special lens, enables one to see as far as 40 ft. beneath the surface of the water. Two feet long and 7½ inches in diameter.

Wet, Dry Hanger

Special hanger, when open can be used for hanging wet clothes to dry. When closed? Ideal for hanging slacks, shirts and skirts in the closet.

Shock Resistant Hammer

Soft faced hammer is shot loaded to give positive dead blow with no rebound or shock. Available in five sizes, five hardnesses, and 17 weights through interchangeable tips and various sized handles. Doesn't gash, mushroom or chip; resistant to oil, gasoline and common industrial acids.

Careful Cleaning

New machine, to be used in commercial garment cleaning establishments, reduces wear and tear on clothes by spraying solvent through them instead of tossing in a tumbler.

New Catalogues

The Steel Co. of Canada, Ltd., Hamilton, Ont. — 100-page booklet gives prices and other facts and figures relating to screw products.

Denham & Co., Detroit, Mich. — Four-page bulletin describes two types of quality control chart holders.

Vinyl Plastic Flooring Enters Canadian Market

MONTREAL (Staff) — A new vinyl plastic product is being offered to consumers this week with the introduction of a vinyl plastic flooring by Building Products Ltd.

Plastic floor coverings, new to the Canadian market, have captured an estimated 20% of all hard-surface floor covering sales in the United States. Most of the growth has been in the past five years. A comparable growth here, industry sources say, could make vinyl flooring the largest single market for vinyl resins in Canada.

The new flooring being made by Building Products is a vinyl plastic asbestos tile which will compete mainly with rubber tile and the better grades of linoleum. It is a semi-rigid tile which comes in stable and vivid colors. Resistance to wear, resistance to water, mild acid, alkaline solutions and stains, ease of maintenance, are some of the main advantages claimed for this new product.

Building Products regards its vinyl flooring as complementary to its present lines of asphalt tile, which are in a lower price range. Main markets are expected to be offices, schools, churches, public buildings, hospitals and private homes.

Galt Firm's Product

Other flooring manufacturers are understood to be entering or considering entry into the plastic flooring business. A Galt concern, Canadian General Tower Ltd., has produced recently some continuous vinyl flooring — that is, flooring which is felt-backed and made in the same form as linoleum rather than as tile.

There are three main types of vinyl flooring — resilient or so-called "all-vinyl" tile, not yet made in Canada; vinyl plastic asbestos tile, now being made by Building Products; and the laminated type of flooring similar to that being made by Canadian General Tower.

No accurate figures are available on the present Canadian flooring market, but the annual rate of consumption of plastic resins by the U. S. flooring industry has been 11.5 million lb. this year, compared with 600,000 lb. in 1948.

Canadian Resins & Chemicals and Monsanto Canada are the two present producers of vinyl resins in Canada. Some is also imported. If Canadian vinyl resin consumption in flooring can attain 10% of the 1952 U. S. consumption rate within the next five years, resin makers say it would be a bigger market than any other single source of business they now have.

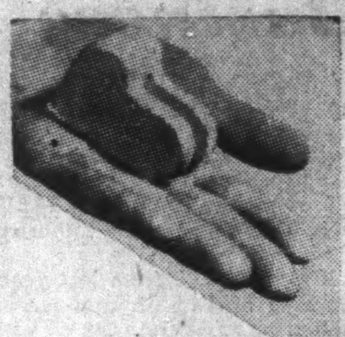
BOOKS FOR BUSINESSMEN

PUBLIC FINANCE INFORMATION PAPERS: PERU; United Nations Publications No. 1952. XVI. 2; The Ryerson Press, Toronto; 62 pages; price 30c.

This information paper, prepared by the fiscal division of the United Nations Department of Economic Affairs, deals with developments in the public finances of Peru from the period immediately preceding World War II.

The publication covers trends in government expenditure, autonomous corporations and banks, trends in receipts, tax rates and yields, public debt, fiscal administration, and fiscal aspects of a program of economic stability and development. A statistical annex covers figures from 1937 up to the latest available.

OSISKO LAKE MINES plans an extensive diamond drilling program on the property of West Wasa Mines, Duncan R. Derry, consulting geologist stated at the company's annual meeting. First stage of the program will consist of 15,000 to 17,000 feet of drilling to test three or four definite areas which are regarded as favorable. On the company's own property, drilling in the northwestern section of the claims did not have success and studies are now being made of an area further east where drilling from the ice may be done this winter.



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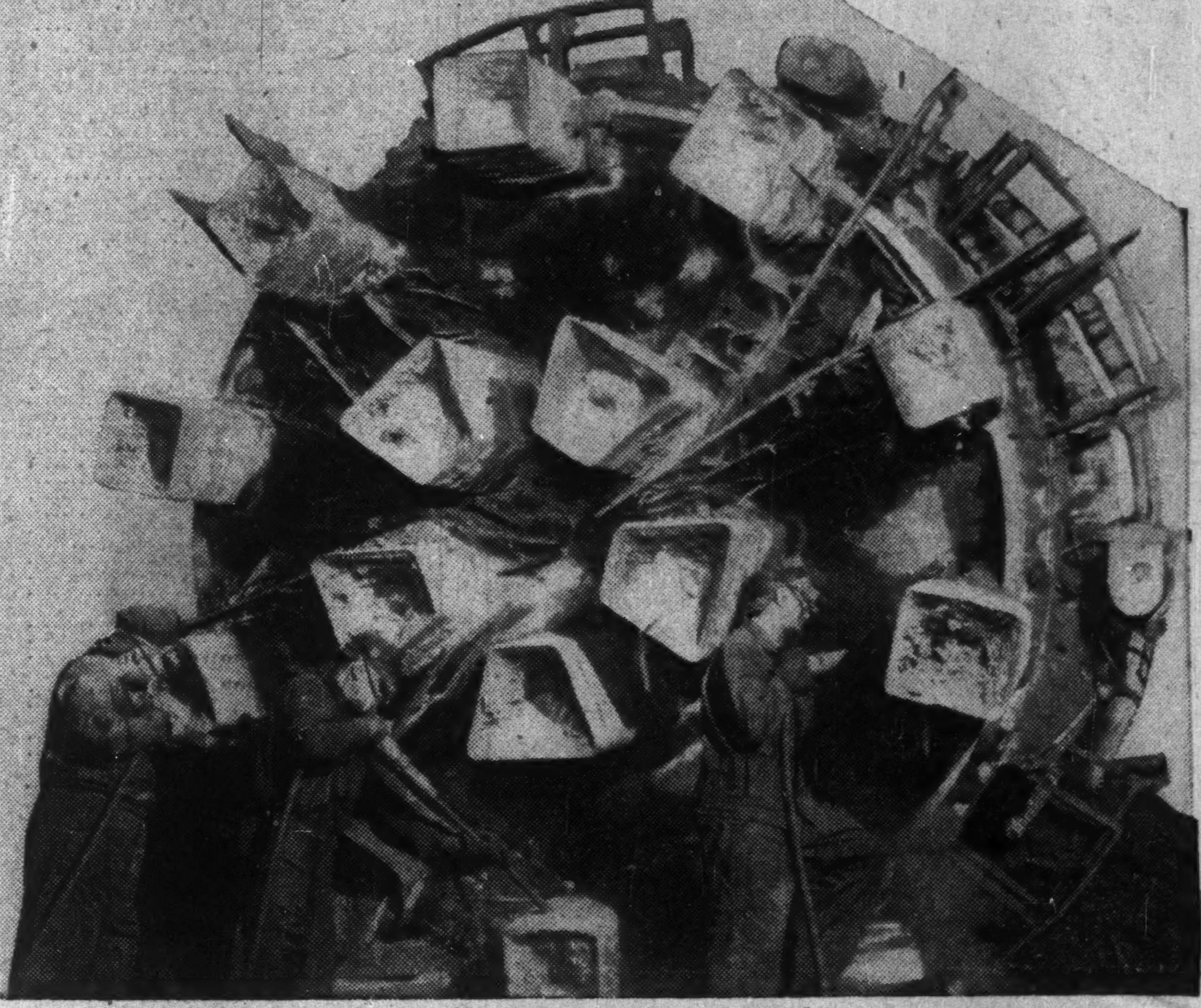

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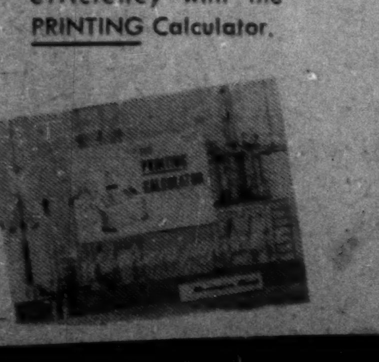

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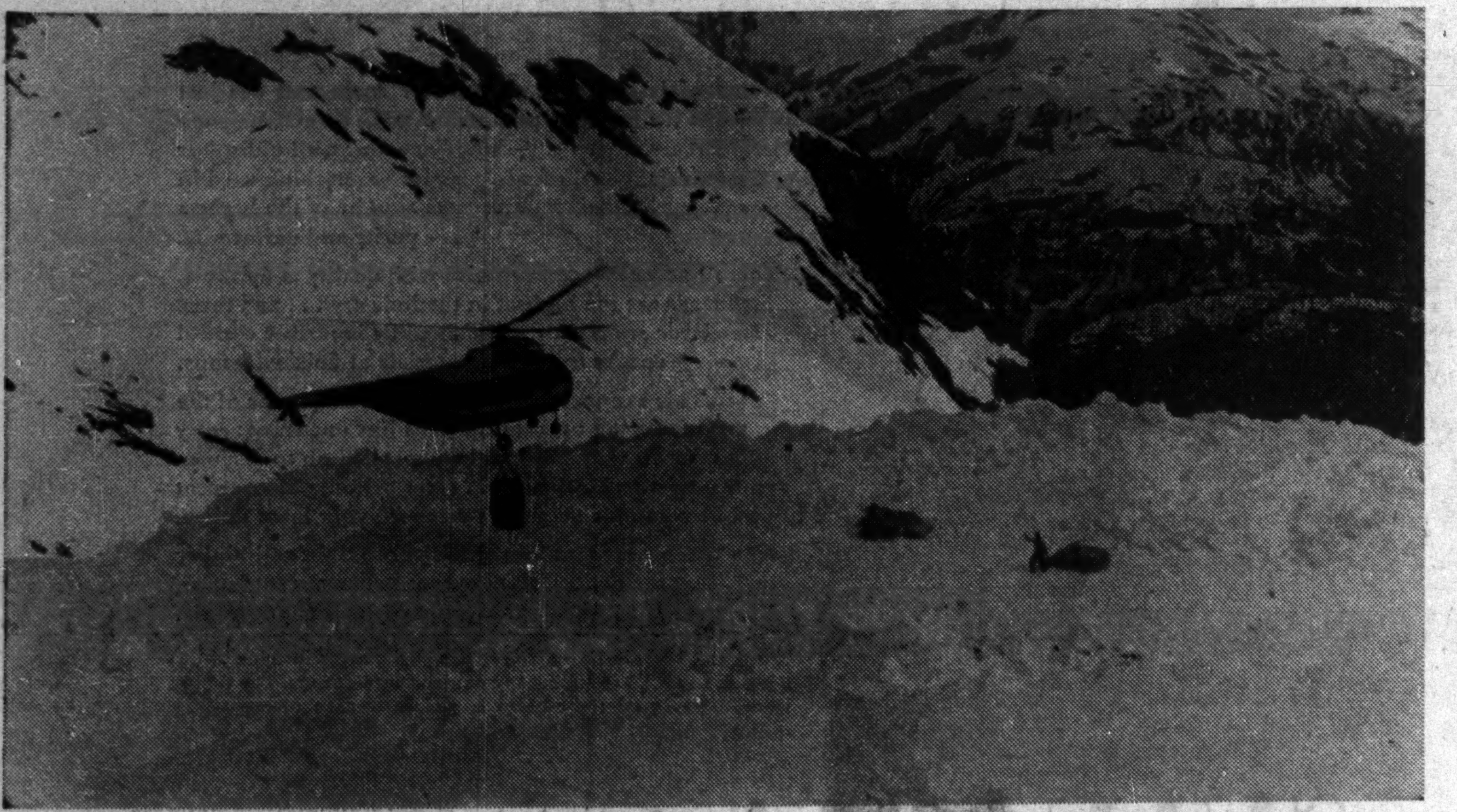
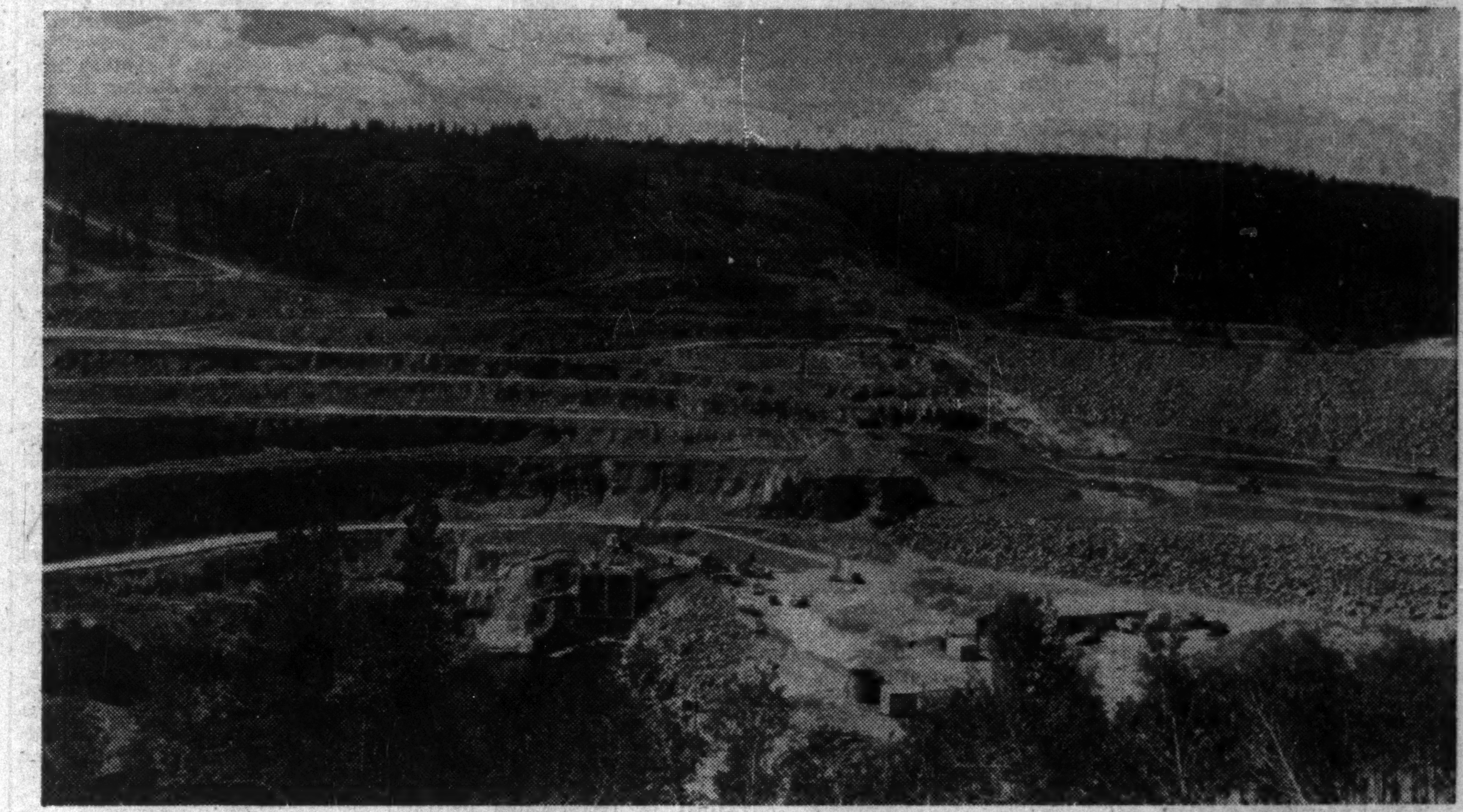
How B.C.'s Biggest Engineering Feat Shapes Up

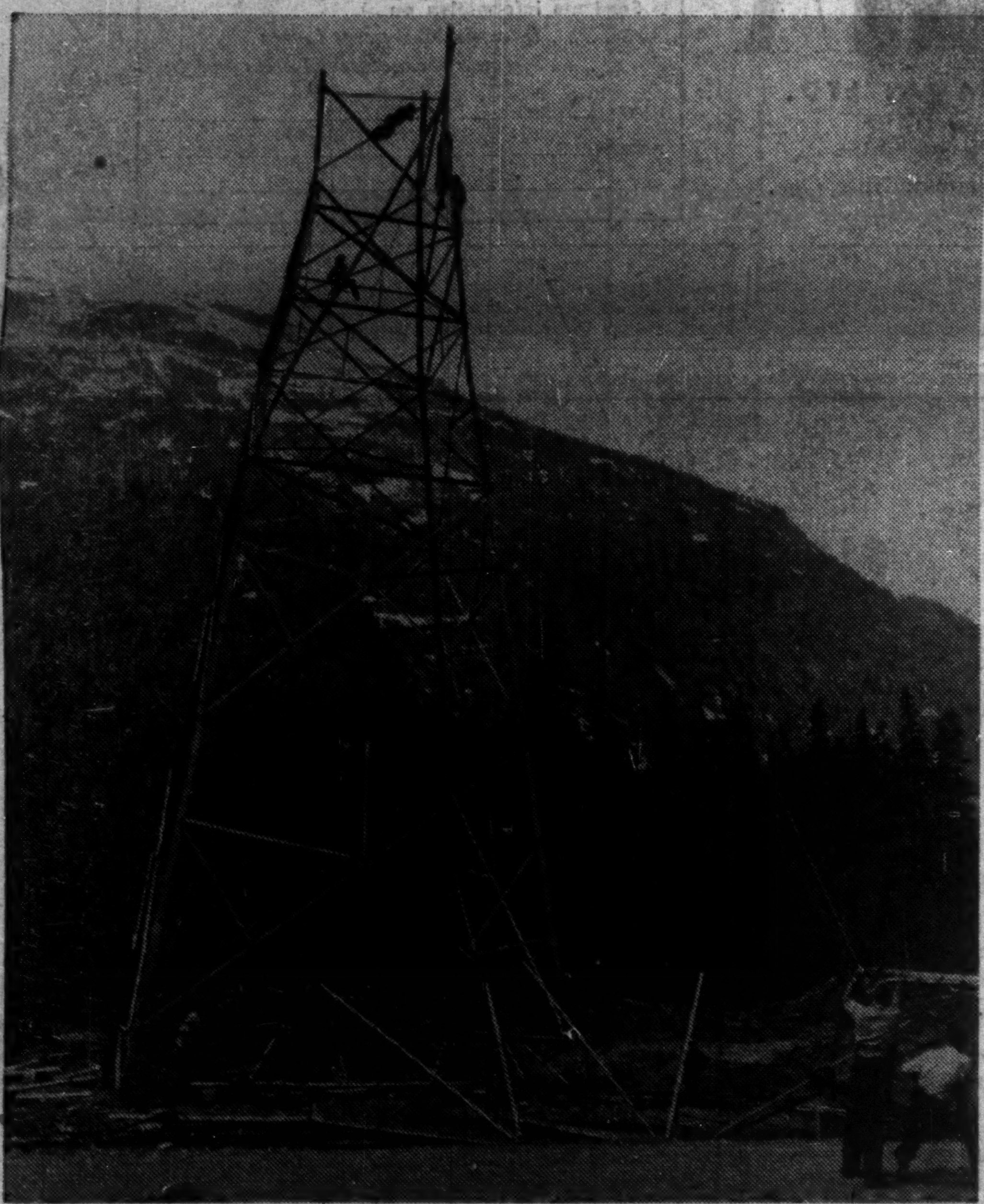
The Story In Pictures Of Alcan's $550 Million West Coast Project



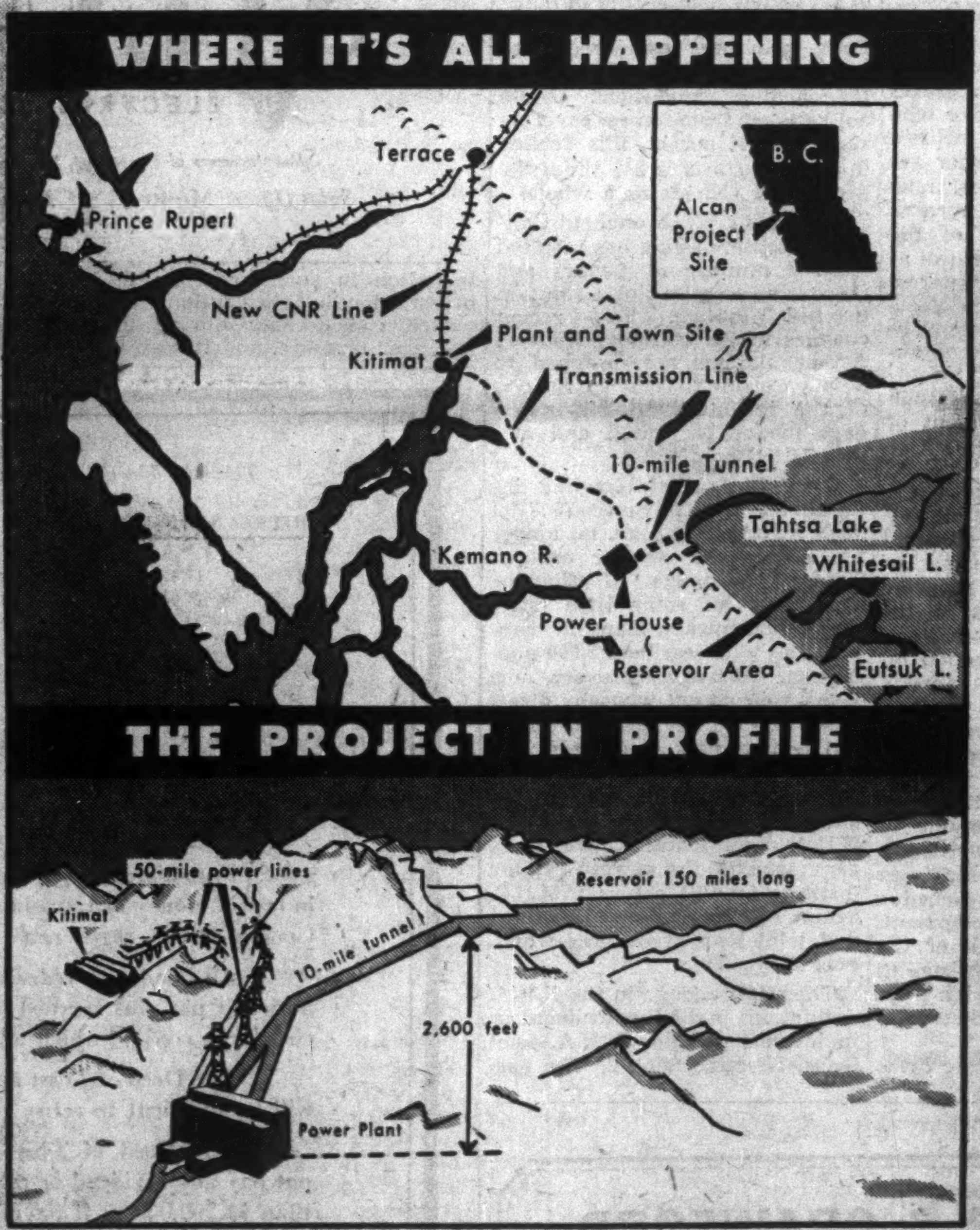
Fifty miles of rugged mountain terrain must be conquered to transmit power from Kemano power site to Kitimat smelter. Helicopters perform prodigious supply feats, taking in men, supplies, transmission tower parts.

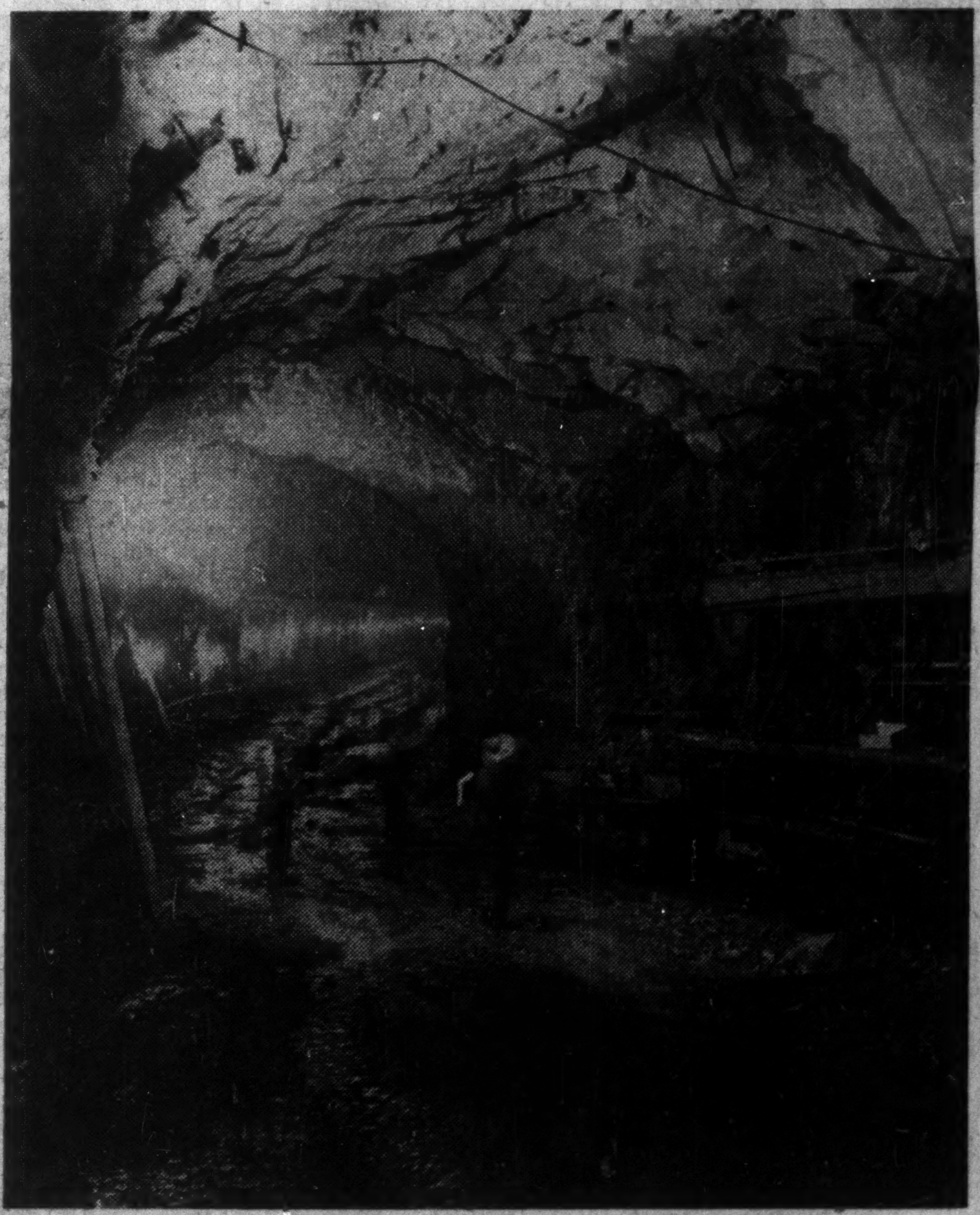


To contain and harness the turbulent mountain waters which will feed the 1.6 million hp Kemano turbines, huge earthen dams are being thrust into mighty canyons. Material to build them is obtained by shaving off mountain caps.

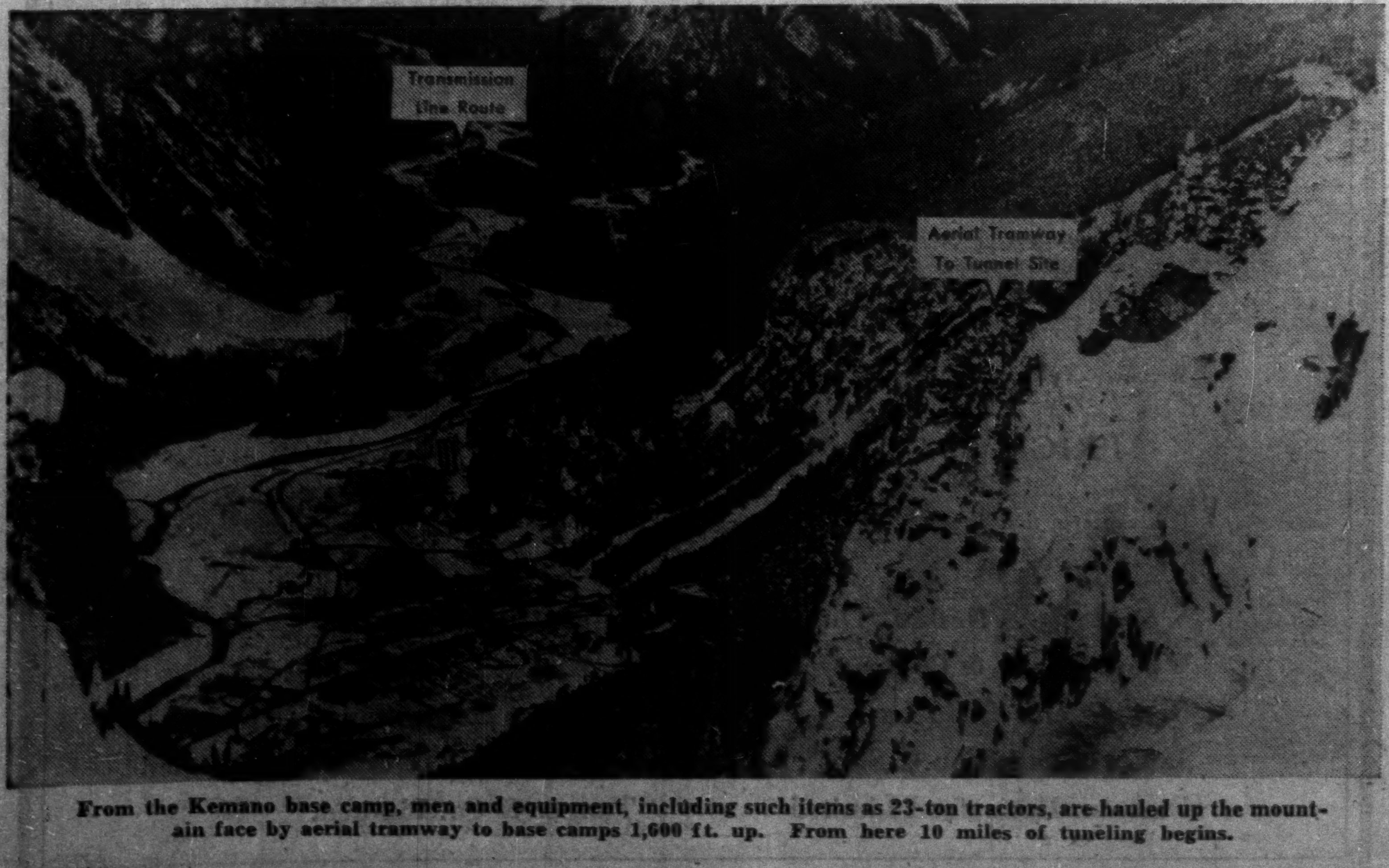


Transmission towers, which will carry the power lines over the 50-mile route rise among the 5,000 ft. peaks of the Cascade Mountains.

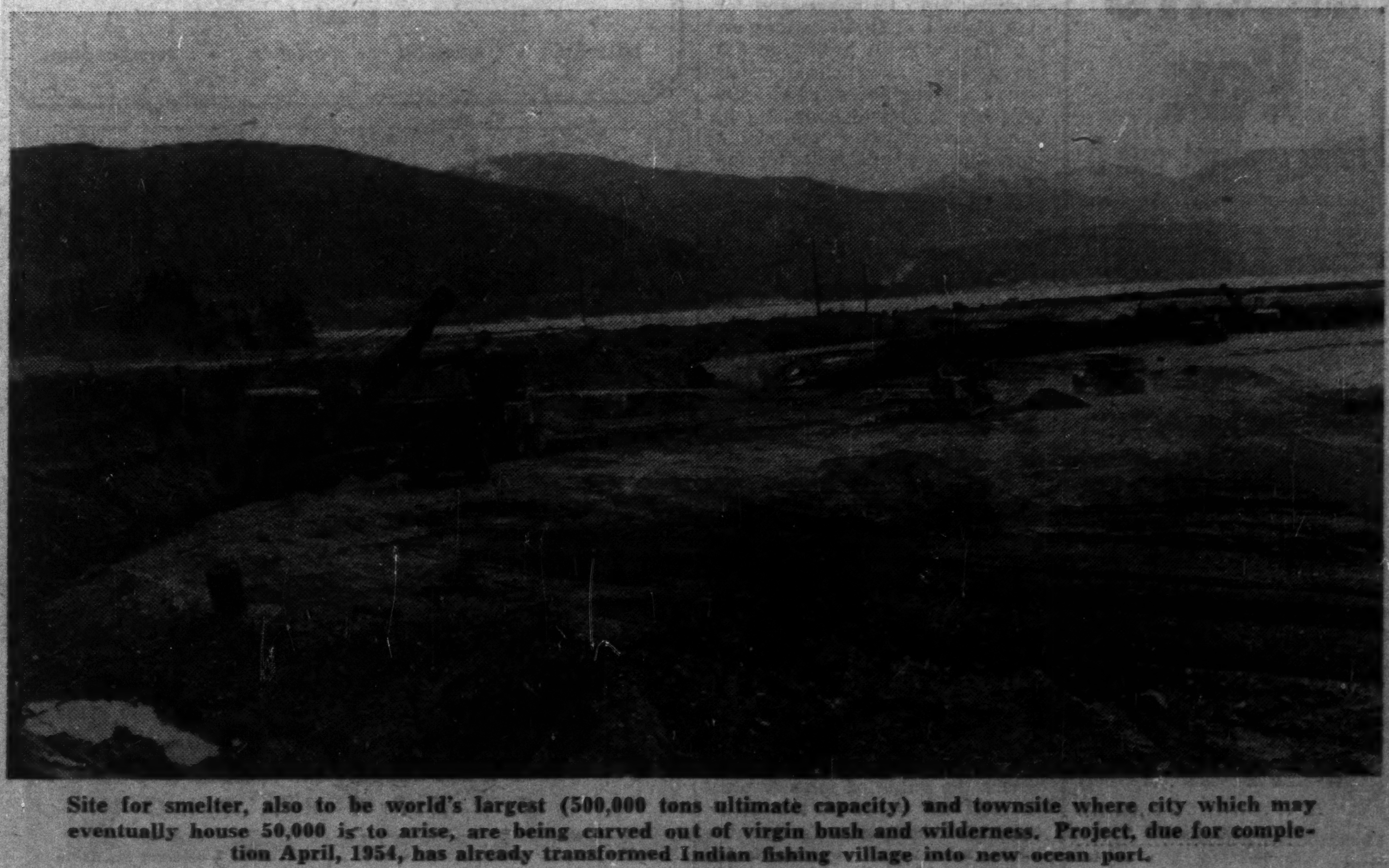

WHERE IT'S ALL HAPPENING
Terrace
Prince Rupert
B. C.
Alcan Project Site
New CNR Line
Plant and Town Site
Kitimat
Transmission Line
10-mile Tunnel
Tahtsa Lake
Whitesail L.
Kemano R.
Power House
Reservoir Area
Eutsuk L.
THE PROJECT IN PROFILE
50-mile power lines
Kitimat
Reservoir 150 miles long
10-mile tunnel
2,600 feet
Power Plant



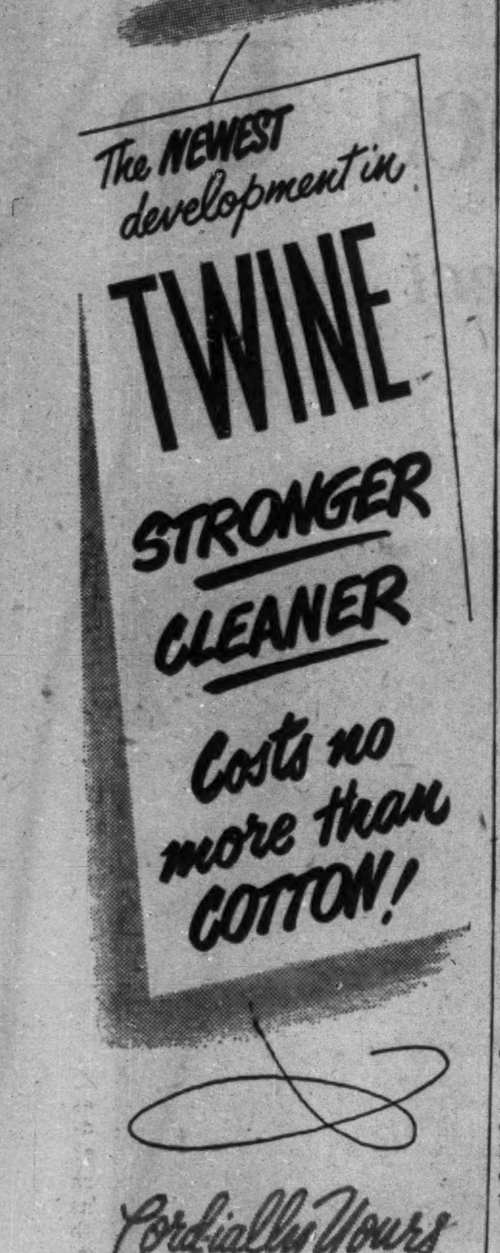
Kemano powerhouse, to be the largest in world, is being built inside mountain, will connect with 150-mile-long reservoir being built on east side of Coast Range, by 10-mile tunnel being blasted through.


Transmission Line Route
Aerial Tramway To Tunnel Site

From the Kemano base camp, men and equipment, including such items as 23-ton tractors, are hauled up the mountain face by aerial tramway to base camps 1,600 ft. up. From here 10 miles of tuneling begins.



Site for smelter, also to be world's largest (500,000 tons ultimate capacity) and townsite where city which may eventually house 50,000 is to arise, are being carved out of virgin bush and wilderness. Project, due for completion April, 1954, has already transformed Indian fishing village into new ocean port.



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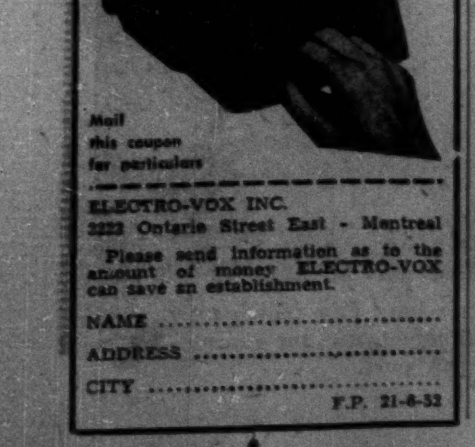

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Too Many U.S. Builders Here?

CCA Head Urges Our Industry 'Sell' Itself

U. S. competition is making inroads into the Canadian construction industry and allied fields. P. G. Wilmutt, president of the Canadian Construction Association and secretary-treasurer of E. G. M. Cape & Co., Montreal, in a recent address to the Maritime branch of the CCA discussed the problem and some steps which might be taken. Here is a digest of his address:

By P. G. WILMUTT
President, Canadian Construction Assoc.

The astonishing opportunities existing in Canada have attracted not only American industrialists and investors but also American contractors.

The Canadian Construction Association welcomes foreign capital, technical skill and fair competition. There are, however, a number of factors that often place American contractors at an advantage over Canadian operators. Many of these can be counteracted by better merchandising of our services on our part. Some, involving tariffs and taxation, require government action to restore the balance.

It is only natural, perhaps, that U. S. firms establishing branch plants or other installations in Canada should have American construction companies, with whom they have had previous business relations, carry out the work. In a considerable number of cases American construction companies are associated in varying degrees with large industrial corporations. In other cases, American contractors obtain contracts simply through superior salesmanship. Again, American owners may be badly informed, or not informed at all, as to the capabilities of Canadian construction companies.

Improved "Merchandising"

It is high time that we shed some of our maidenlike modesty and proclaimed our abilities, both at home and below the border. It should not be too difficult a selling job. There are extremely few types of highly specialized work that Canadian firms are not competent to carry out economically and efficiently. It does not seem reasonable that a foreign firm commencing operations in Canada can work as efficiently as the established Canadian firm which is intimately familiar with our labor, material and climatic conditions.

It is interesting to note that U. S. industrial companies which are now long established in Canada rarely bring over American forces to do their construction work. Experience has taught them the advantages of having Canadian firms carry out their expansion programs. American owners becoming established in Canada would do well to avoid a costly lesson in this regard by engaging Canadian construction companies from the start. Our constant aim must be to ever work toward the increased efficiency of our organizations so that this ability to provide owners with superior services is not diminished.

We are not alone in perhaps being guilty of undue modesty. The allied professions must share this dubious distinction. Many of the plans and specifications for projects in Canada are prepared in the United States and it is not surprising that American designers are strongly biased in favor of engaging American contractors. As is only natural, the specifications drawn up by American designers are usually in accordance with American standards and usually call for American materials and equipment. If Canadian firms are permitted to bid on these projects, they do so at no little disadvantage in relation to American companies also tendering. This situation also deprives Canadian manufacturers of business which would acrue to them if the plans were executed in Canada.

We in the construction industry have a unique opportunity of studying both Canadian and foreign plans and specifications and can state without hesitation that the technical results produced by Canadian engineers and architects are second to none and for Canadian conditions, climatic or otherwise, are superior to foreign-drawn structures. It is recognized that there are some specialized projects of a type new to Canadian designers but these projects are few and far between. Indeed, Canadian engineers are now designing foreign projects with increasing frequency.

No Reciprocation by U. S. A.

American consulting engineers also have the privilege of sending over their plans either on a duty-free basis or upon payment of a negligible tariff. The rates on architectural plans are only slightly higher. This inequity has been protested by the C.C.A. and the Engineering Institute of Canada for a number of years but no redress has been received from the Tariff Board. The United States Government, it might be added, makes no exception to its tariff on plans and specifications.

The factor of equipment is increasingly important in construction and cases are not uncommon where the value of job-site plant exceeds the value of the actual contract. American firms have initial advantages concerning the purchase of heavy equipment due to their ability to borrow money at lower rates than are available in Canada and to the fact that the equipment is considerably cheaper.

This situation places American contractors at an advantage over Canadian firms with regard to both permanent or temporary importations. Up until last year it was possible under certain circumstances for firms to bring in equipment for temporary use upon payment of only 1/20th of the tariff and sales tax per month. The rate was doubled to 1/60th a month following C.C.A. representations and since last July all applications for reduced tariffs have been referred by the Government to the Association office for checking as to the availability of the unit in question in Canada. The regulations have been further tightened by the restriction of these tariff concessions ordinarily to a six month period. Once again I should add that the United States offers no similar concessions if a contractor wishes to take Canadian equipment below the border for temporary use. The full tariff has to be paid. It should also be noted that Canadian manufacturers are discouraged from commencing the production of this machinery while this tariff situation exists.

Better Service Than Transients

The role of a Canadian contractor in the United States is not exactly made easy by a series of federal and state ordinances, union regulations, etc., all of which are designed to protect the interests of American firms. Our intention is not to exclude foreign contractors but rather to impress upon industry coming into this country that their construction work can be done more efficiently by Canadian organizations. At the same time, it seems only fair that the special favors available to foreign operators should either be reciprocated by their government or eliminated by our own. Of these two courses of action, I would personally prefer the latter.

This young and growing country needs immigrants badly — both individuals and corporate entities—but we want immigrants who will stay. The operator who comes in as a visitor is inclined to be irresponsible on labor relations and other matters, take a short-term view, and remove his profits, if any, out of the country—which is only natural as he has no permanent interest here. In the event that defects appear in his work carried out in Canada, it is impossible to obtain recourse. Such temporary immigrants make little contribution to the economic development of our country.

Steel Supply

In June, 1950, the Korean war broke out and the size of Canada's projected preparedness program was made public. The superimposition of the defense program and large-scale projects in the "defense-supporting" category at a time when the construction industry was operating at capacity levels was accompanied by steel controls, N.H.A. credit reductions, double depreciation regulations and bank loan curbs.

Notwithstanding all these restrictive factors, the volume of construction contracts awarded in 1951 as recorded by MacLean Building Reports Ltd. reached a new record. This development, plus the fact that much of the construction program consisted of heavy projects with a high steel content, led to a very serious steel supply situation.

One result was that those firms normally engaged in the lighter types of construction found it increasingly difficult to get new work, especially in those areas where the volume of defense or allied construction was not sufficient to take up the slack. Representations were made by the Canadian Construction Association to the Federal Government advocating that steel permits be granted for worth-while commercial construction projects requiring relatively small tonnages, and a new policy along these lines was announced by federal officials last January.

It is doubtful that enemy raids on steel plants in the United States would have caused such a comprehensive loss of production for a two-month period as that which took place during the recent strike, and plans to remove the Canadian restrictions affecting the allocation of steel to the construction industry have suffered a serious set-back. All going well, however, it is expected that permits will become increasingly available for certain types of buildings previously denied steel and that the present Steel Orders will be eliminated prior to next year's building season.

Maritime Volume Up

The volume of Maritime contract awards for the first eight months of 1952 was 30% above the total for the same period last year, compared with a national decrease of 27%. Indications are that this improvement will continue. Defense projects are a factor of growing importance in the volume of Maritime construction work. The 1952 highways program has also been substantial and the average per capita expenditure on non-urban roads and bridges for the Maritimes and Newfoundland is above the national average.

Statistics concerning residential construction reflect a less happy situation. The first five months of 1952 show a 39% drop in housing starts in the four Atlantic Coast provinces compared with the same period in 1951. While far-reaching conclusions should not be taken from figures covering such a short period, this decline in housing starts is 2½ times the decline for Canada as a whole.

The falling off throughout Canada in housebuilding has resulted from a number of factors and there is no easy or single solution to the problem. Two recent changes in the National Housing Act regulations are designed to help overcome to some extent one of the serious shortages—mortgage money for small and medium-sized homes.

Since the private lending institutions, who advance 75% of each N.H.A. joint loan, no longer operate in the smaller centres, Central Mortgage & Housing Corp. has for some time made direct homeowner loans in communities with less than 5,000 population. Arrangements are now being worked out whereby direct loans may be advanced to potential homeowners in centres with up to 50,000 population where private mortgage money is not available to those eligible for N.H.A. joint loans. Under these arrangements the private lending institutions will act as C.M.H.C. agents and they may resume normal joint loan procedures whenever they wish.

The other change in the N.H.A. regulations is the further increase in interest rates on N.H.A. joint loans, effective Sept. 2. The participation in such loans by the private lending institutions has waned considerably during the last year or more, and it may be that the higher rates of interest on N.H.A. mortgages will make them more attractive to the insurance, trust and loan companies. While this move may well make mortgage money more readily available, it will, on the other hand, serve to increase monthly carrying charges somewhat and hence render some potential homeowners ineligible for N.H.A. assistance.

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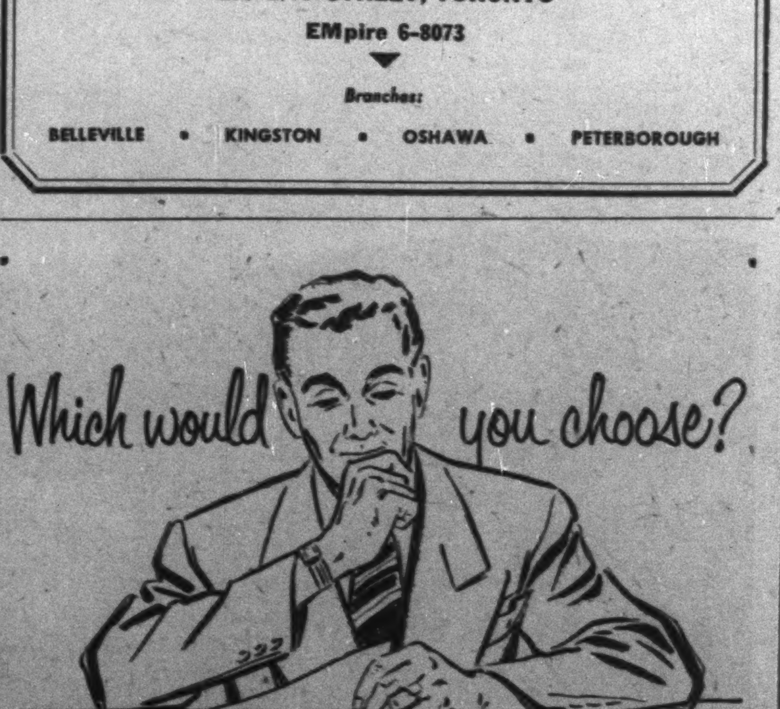
Which would you choose?

If you had a business problem facing you which could involve a great loss, would you ask the advice of a friend or a business counsellor? Naturally, you would ask the expert. Then, what about your will? Improperly administered, it could mean a great loss to your family. We are glad to act as sole Executor, or in conjunction with one or more other Executors you might appoint.

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When you want longer life, more light and higher maintained light output in fluorescent lamps, always specify and buy Sylvania.

There are Sylvania Incandescent Lamps for every interior lighting need . . . and for many outdoor applications. The name Sylvania on light bulbs is your assurance of top quality, long life.

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This offer does not represent new financing by the Company, the bonds having been purchased from an existing bondholder.

OUTSTANDING ISSUE

$10,000,000

Winnipeg Electric Company

4% SERIES FIRST MORTGAGE BONDS

Dated: May 1, 1946, To mature: May 1, 1971

Principal and semi-annual interest (May 1 and November 1) and redemption premium, if any, payable in lawful money of Canada at any branch in Canada of the Company's Bankers (Yukon Territory excepted). Coupon Bonds, registerable as to principal only, are available in denominations of $1,000.

All bonds are redeemable at the option of the Company in whole or in part at any time on 30 days' notice at par plus accrued interest and a premium, if any, as set forth under the heading Redemption in the circular, a copy of which will be supplied on request.

The Deed of Trust and Mortgage provides for Sinking Fund and Serial maturities which it is estimated will be sufficient to retire prior to May 1, 1971 over 26% of all First Mortgage Bonds outstanding.

The Deed of Trust and Mortgage will, among other things, also provide that the Company will not pay any dividend or make any distribution of profits if, at the time of payment, its earned surplus is less than $1,250,000 or if payment of such dividend would reduce its earned surplus to less than $1,250,000.

Trustee: Montreal Trust Company

CAPITALIZATION
(as at June 30, 1952)

	Authorized	Outstanding
First Mortgage:	$35,000,000	
2¾% Serial Bonds due May 1, 1952-56		$ 1,600,000
3¾% Series Bonds due May 1, 1971		$13,000,000
4% Series Bonds due May 1, 1971		$13,000,000
Preference Shares, par value $100, 5% non-cumulative	$ 5,000,000	$ 5,000,000
Common shares of no par value	568,581 shs.	564,989 shs.

In the opinion of Counsel, companies registered under the Canadian and British Insurance Companies Act, 1932 (Canada), as amended, may, without availing themselves for that purpose of the provisions of sub-section 4 of section 60 of said Act, invest their funds, or any portion thereof, in these Bonds.

We offer, as principals, these 4% Series First Mortgage Bonds, subject to prior sale and allotment.

PRICE: 93.73 and accrued interest to yield 4.50%

It is expected that Trustees' Interim Certificates will be available for delivery on or about September 15, 1952.

Nesbitt, Thomson and Company, Limited
Wood, Gundy & Company Limited
A. E. Ames & Co. Limited
Greenshields & Co Inc
Gairdner & Company Limited
James Richardson & Sons
W. C. Pitfield & Company Limited
Dawson, Hannaford Limited
Tanner & Co. Limited.

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... Just as a fine piece of Swedish glassware is the result of superb craftsmanship, so does House of Lords represent a masterpiece of the cigar-maker's art. All-Havana filler and the finest wrapper money can buy are combined to bring you the utmost in cigar-smoking pleasure.

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CIGARS

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SITE: Summer resort. Surrounded by beautiful countryside. Ferry to North shore.

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OTTAWA
MONTREAL
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MONCTON
MAINE
CALAIS
SAINT JOHN

WATER: Free to new industries.

POWER: City owned. Special rates.

LABOR: Available and reliable.

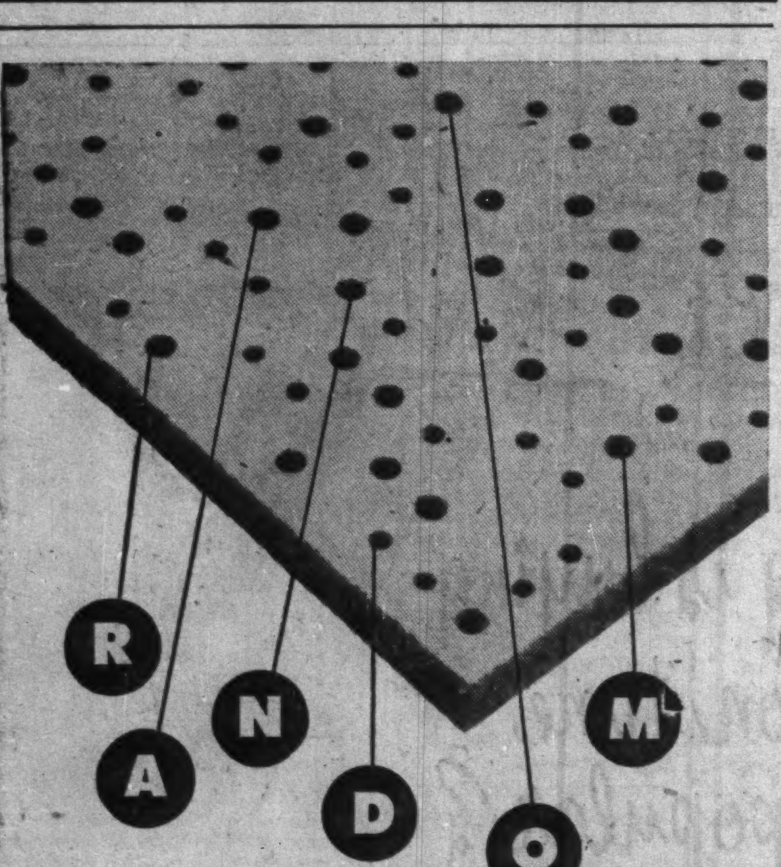
LOCATION: Industrial sites and buildings available. Good educational and recreational facilities. Progressive municipal administration.

We invite you to

RIVIERE DU LOUP
NATURAL CENTRE
OF DISTRIBUTION.

Inquiries invited:

Charles St-Pierre, President
Industrial Committee,
City of Riviere du Loup, Que.



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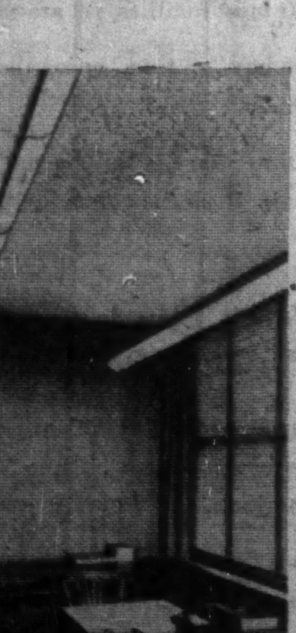
It's Acousti-Celotex but with a distinctive new pattern—RANDOM—a unique achievement in modern design. Perfectly performs its function of effective Sound Conditioning, the Random Pattern is a refreshing departure from the conventional, with all the characteristics of the original, ACOUSTI-CELOTEX.



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BRANCHES AT: Saint John, Halifax, Quebec, Ottawa, Toronto, Montreal, Winnipeg, Regina, Calgary, Edmonton, Vancouver.

DS-52-8

Industrial Growth

G. M. Diesel

A further $2.5 million expansion to its London, Ont., plant is announced by General Motors Diesel Ltd. The latest addition's 85,000 square feet will bring plant's total floor area to 365,000 square feet. Service facilities for wrecked locomotives and for traction motors, generators and engines, as well as equipment to manufacture a new model traction motor, will be provided.

* * *

Following are announcements of industrial development in the Toronto area by Toronto Industrial Commission:

De Havilland Aircraft

A seven-acre, $4 million factory and office building will be erected immediately at the RCAF's Toronto Station at Downsview Airport by de Havilland Aircraft Co. of Canada. Feature of the main building is an assembly bay 500 ft. long, 41 ft. high, with a clear span of 130 ft.

Sparling Construction

Erection of oil storage tanks, oil separators and pressure vessels will be carried out at the $500,000 plant to be erected in New Toronto by Sparling Construction Co., subsidiary of Sparling-Davis Co., Edmonton. A machine shop with capacity to process 300 to 500 tons of steel a month is included in the plans.

Canadian Admiral

With the coming of Canadian TV, Canadian Admiral Corp. announces extension of its two-year-old plant on Toronto's lakeshore. Present production of radio and television sets and combinations will be doubled. To get all the daylight possible, structure's west side will be enclosed with blue glass, and large monitors are to be set on the roof.

Ferranti Electric

A one-story, $1 million addition to its Toronto plant is announced by Ferranti Electric Ltd. Of brick and steel-frame, the addition will have floor area of 42,000 sq. ft.

F. C. Russell

Aluminum self-storing combination screen and storm sash and screen doors will be produced in the building in the Geco industrial development, near Toronto, recently purchased by F. C. Russell Co. of Canada. The 14,000 sq. ft. of floor space will double company's production facilities. Present factory turns out hot-dip galvanized steel windows.

Yardley

A new two-story, 70,000 sq. ft. brick building near O'Connor Drive, on Toronto's north-east fringe, is to be occupied in mid-1953 by Yardley of London (Canada) Ltd. Offices, warehouse and showrooms will be combined on the 14½-acre site, to replace company's building at the foot of York St., Toronto.

Stark Electronic

To meet increased demand, Stark Electronic Instruments Ltd. is expanding operations at Ajax, near Toronto, with acquisition of an adjacent building containing a floor area of 14,000 sq. ft., with four acres of land.

How U.K. Govt. Aids Exporters In Search of Markets Here

(Special Correspondence)

LONDON — British exporters looking at Canadian market opportunities are now finding they can get a wealth of tips and basic information from a government information service now operating on a much greater scale than hitherto.

Long established in respect of most other markets, the Canadian service is now getting special attention as a result of Seaway possibilities. But its activities extend far beyond this range, and as a result of market research made in many fields in Canada in recent years it is now able to offer U. K. manufacturers up-to-date information on everything from what color socks Canadian women prefer to buy for Canadian men to what the specifications are for lighthouses on the Great Lakes.

By paying about $6 a year potential exporters can find out the economic conditions in the country with which they trade, the trend of demand, prospects of immediate sale and changes in taste.

Information Supplied

Where the trader already has an agent in the field, the service provides useful supplementary information such as:

—Trade openings: details are given of contracts put out to tender by overseas governments, municipalities and public bodies, as well as opportunities likely to arise in connection with public works or other large-scale undertakings.

—Buyer enquiries: these are relayed to firms likely to be interested, including particulars of all enquiries reaching the Board of Trade from buyers abroad who wish to contact manufacturers of specified articles.

—Market conditions: surveys and summaries are issued on economic and commercial conditions in overseas markets and on trade agreements between foreign countries.

—Specialized markets: reports are issued on the selling prospects overseas for specific goods manufactured in U. K. Overseas trade officials send reports covering the size of the market; quality of goods normally sold; strength and type of competition to be expected and trading methods generally used.

An example of the service is a recently published specialized report on packaging consumer goods for the Canadian market. It answers such questions as:

Do Canadians look for screw tops or vacuum tops for their pickle jars? Do they put the jars on the table at mealtimes? Do Canadian men buy their own handkerchiefs or do their wives choose them? How many handkerchiefs do they buy at one time?

To answer these and other more detailed and technical questions interviews were conducted with nearly 4,000 consumers and retailers throughout Canada carefully chosen as representatives of the whole Canadian market for the goods investigated.

British Court Awards £15,000 For Loss of Fireman's Hands

British law courts place a high value on a man's hands as a means of livelihood, and insurance men are warning their clients, both employers and employees, to be protected insurance-wise accordingly—the employer against his liability, the employee against personal accident.

In a recent case at Shrewsbury the court awarded £15,000 ($40,000) to a part-time fireman who lost his right arm and left hand and sustained extensive head injuries in a fire and explosion in a metalworking plant.

The judge said the man would be "totally unemployable for the rest of his life."

The damages were awarded against the company, the managing director's widow and his executor. An action against Shropshire County Council, the fire authority, was dismissed.

It was alleged that inadequate precautions were taken in the company's process of recovering aluminium from aluminium foil. A stay of execution was granted pending any appeal.

Apart from the fact that the loss of hands always carries heavy damages, it is also pointed out that explosion is almost always "in the nature of a catastrophic risk."

The injured man was a part-time foreman, who was not warned of the risk of explosion, and the judge said that such firemen could not be expected to be expert in special gases and chemicals.

Two people were killed in the explosion, the fireman and the managing director of the company, and 10 injured.

Apart from the liability of the employer, insurance men point out that in a case like this a personal accident policy would provide additional indemnity for the injured man and his family.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

ATLANTIC WHOLESALERS LTD. consolidated net profit of $149,317 for year ended March 29, 1952, was 16.2% lower than previous year's net of $178,103.

Dollar sales were at an all-time record high, reports President E. A. Dixon, but expenses, particularly taxes, were also higher. While commodity markets were fairly strong early in the year, they later became easier, the president states.

An addition was made to the Fairville, N.B. warehouse during the year to handle company's expanding produce business. Additional facilities for the Moncton, N.B. branch are now under construction.

CONS. INCOME ACCOUNT

	Year ended Mar. 29 1952	Year ended Mar. 31 1951
Gross profit	$1,441,668	$1,382,446
Net earnings	403,711	409,726
Less: Deprec.	74,360	68,079
Bd. int. & amort.	31,270	33,944
Est. taxes	148,764	129,600
Net profit	149,317	178,103
Less: Pref. divds.	24,750	24,750
Cl. A divds.	45,000	45,000
Cl. B divds.	4,500	4,500
Surplus for year	75,067	103,853
Times Int. & Amort. Earned:		
Before deprec.	12.91	12.07
After deprec.	10.53	10.07
Earnings per Share and Dividend Record:		
Preferred	$6.64	$7.92
Paid	1.10	1.10
Cl. A & B	1.51	1.88
Paid	0.40+0.20	0.40+0.20

CONDENSED CONS. BALANCE SHEET

As at:	Mar. 29 1952	Mar. 31 1951
Cash	$86,339	$160,282
Mkt. secs.	22,497	......
Accts. etc., rec.	782,545	737,362
Inventories	1,524,654	1,789,565
Total curr. assets	2,416,035	2,696,209
Prep. exp.§	27,429	23,030
Misc. assets	64,576	57,289
Fixed assets*	537,697	477,010
Total assets	3,045,737	3,253,538
Bank loans, etc.	......	430,798
Accr. bd. int.	14,910	......
Accts. pay., etc.	925,362	805,186
Total curr. liabs.	940,272	1,235,984
Inventory res.	100,000	100,000
Funded debt	727,803	715,580
Capital stock	862,750	862,750
Earned surplus†	414,912	339,224
*After depr. of	337,966	283,415

§Included in curr. assets in co's report.

†After deducting $182,818 distribution of accumulated surplus (earned prior to Jan. 1, 1940) of subsidiary company.

Working capital	1,475,763	1,460,225

Dominion Bk. Declares Extra Dividend For '52

Dominion Bank has declared an extra dividend of 20c per share for 1952, payable Nov. 1, 1952, to shareholders of record Sept. 30. The regular dividend of 25c per share for the quarter ending Oct. 31 has also been declared payable on the same date as the extra.

This makes total distribution for the year $1.20 per share, the same as in 1951.

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"Parlez-vous Français?"

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LE DROIT

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FACTS ABOUT AUSTRALIA

OVER
8,000,000
POPULATION

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BANK OF NEW SOUTH WALES
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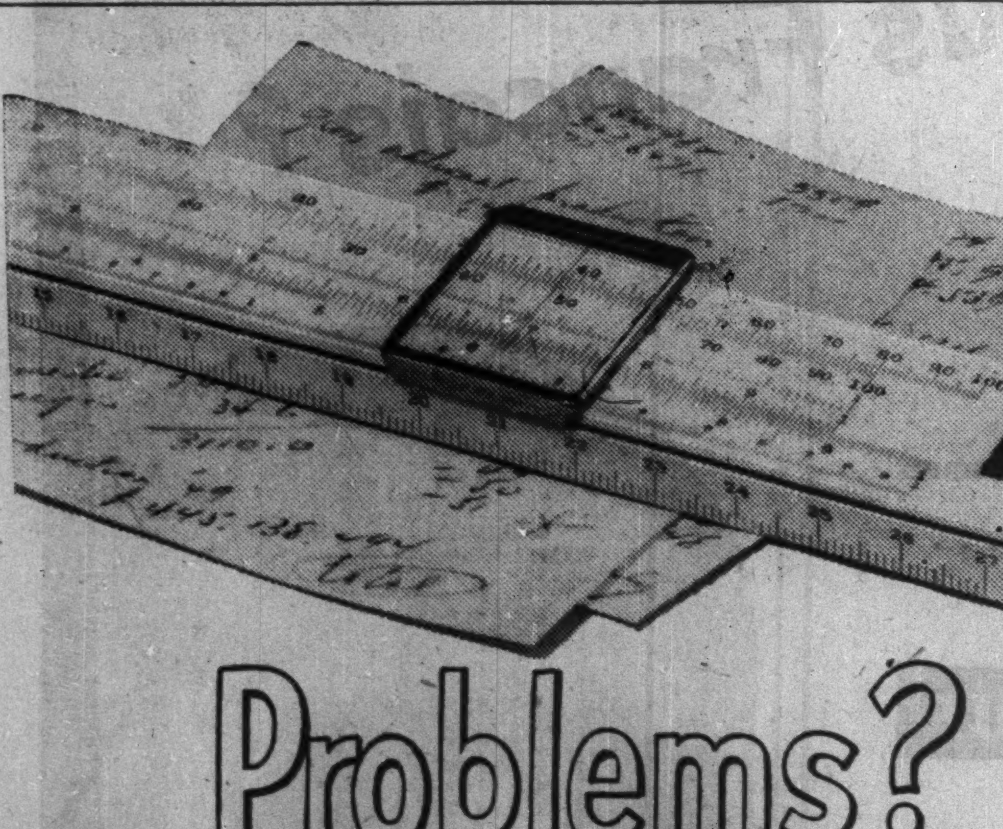

Every businessman has problems. The financial aspect of these problems often needs special consideration.

That is when your Bank of Nova Scotia manager may prove of invaluable help to you. Observing business and consulting with businessmen are important parts of his job.

When considering your business plans, don't hesitate to call on your banker. You will be surprised at the wide range of information he has on business matters. This can mean dollars and cents in your pocket. You'll find your Bank of Nova Scotia manager a good man to know.

The BANK of NOVA SCOTIA

• Your Partner in Helping Canada Grow

Provincial Roundup

Significant events in public affairs and business in the Canadian provinces

British Columbia

B. C. Steel Plant: Plans for a $4 million electric furnace near the site of an iron-ore deposit on Vancouver Island have been announced by C. D. Hobbs, managing director of Vancouver Steel Ltd. Output of steel billets from the furnace would likely be shipped to the company's rolling mill in Burnaby, B.C., Mr. Hobbs said. Previously, the ore from the American-owned Quinsam Lake ore deposit has been shipped to Japan and the U. S.

Another Election: Possibility of another election in B. C. soon is being discussed by political observers following CCF charges that ballot counting did not comply strictly with the election act. Premier W. A. C. Bennett is studying the criticism.

* * *

Alberta

Calgary Development: Announced plans for $1 million plant to be built by Crane Ltd. in the Manchester area of Calgary is said by Mayor D. H. McKay, to be only a forerunner of development there. The plant is the first planned for the 200-acre area being prepared for industrial use. City officials have been instructed to press development of the area for completion by the end of the year.

* * *

Saskatchewan

Record Crop: Saskatchewan farmers are at work now taking off what is expected to be a record wheat crop yielding 411 million bushels. This estimate by the Saskatchewan Wheat Pool is based on an official wheat acreage figure of 16,432,000 and means that per-acre yield will be slightly less than the 1951 record of 25.1 bushels. This total yield is 86 million bushels higher than the record in 1951, 325 million bushels.

Building Boom: With value of building in Regina already well ahead of the total for last year, city officials see the biggest building boom since 1929 shaping up. Industrial projects expected to get under way in the city this year include a new government telephones building, a Saskatchewan Federated Co-Operatives warehouse and possibly a Ford Motor Co. parts depot.

* * *

Manitoba

Tourist Swarm: Manitoba's tourist count this year is breaking all records, government spokesmen say. Figures show numbers of tourists ahead of last year's record. Number of cars crossing the U. S. border into the province is running 11.9% ahead of last year while queries from potential tourists is up 18% over 1951.

$300,000 For Parks: Winnipeg taxpayers are going to vote on a $300,000 money bylaw at the forthcoming civic elections which will provide parks and playgrounds throughout the city. A similar $500,000 bylaw was passed in 1946 and the money spent.

* * *

Ontario

Apartment Construction: A loan of $540,000 has been approved by Central Mortgage & Housing Corp. to Beaudoin Construction Co. of Ottawa for building of 15 apartment structures in that city. The buildings will cost $800,000 and construction will start immediately. C.M.H.C. officials for Ottawa say up to the present, loans for 1,170 housing units costing $8,300,000 have been approved, compared with loans of $6,700,000 on 943 housing units in 1951.

No Fare Increase: Despite additional taxes levied against property of the Ottawa Transportation Commission and the Ottawa Hydro Commission in Ottawa, no increases in transit fares or power rates will result. Amount of the tax increase has not been revealed.

* * *

Quebec

New Police Station: The city of Hull is reported to be getting a new $325,000 police station. Plans are being drawn up now with construction expected to start early next year. A site reportedly has not been chosen for the new building.

More Parks: Montreal's city council has voted $350,000 for additional parks and playgrounds in the city with equipment slated to take about $90,000 of the total.

ONE VIEW OF THE MARKET:

Here Are Stocks Traded By Montreal Life in 1951

Canadian life insurance companies have an investment of $82 millions in Canadian stocks. As a service to its readers, The Financial Post presents here one of a series reporting on the holdings of individual companies, and changes in its portfolio of Canadian preferred and common stocks in the past year.

Montreal Life Insurance Co. in 1951 reduced its holdings of preferred stocks from 7.34% to 5.73% and increased its common stock holdings from 5.48% to 6.12%. Stocks were carried at a total value of $2,685,201 on the balance sheet at Dec. 31, 1951.

During the year, in its holdings of Canadian stocks, Montreal Life Insurance:

—Added two new preferred and six new common stocks.

—Increased its holdings of two preferred and three common stocks.

—Reduced eight preferred and five common stockholdings.

—Eliminated its holdings of five preferred and one common stock.

New preferred stockholdings were Brown Co. $5 and P. L. Robertson Mfg. Co. $2. New common stocks included in the portfolio were Abitibi Power & Paper, Aluminium Ltd., Canada Iron Foundries, Great Lakes Paper, Hudson Bay Mining & Smelting, and St. Lawrence Corp.

Holdings were increased in Zellers Ltd. 6% and Traders Finance Corp. 4½% preferred, and in the following commons: British American Oil, Noranda Mines and Price Bros.

Preferred stockholdings reduced were Canadian Celanese Ltd. 7%, Canadian Oil Cos. 8%, Davis Leather $1.50, Dominion Malting 5%, Laprairie Co. 6%, National Grocers $1.50, Silverwood Dairies A, and Western Grocers Ltd. $1.40.

Holdings of common stocks reduced were Canadian Canners Ltd., Consolidated Mining & Smelting Co., Loblaw Groceterias, Molson's Brewery B, and Nova Scotia Light & Power.

Preferred stocks eliminated from the portfolio were Abitibi Power & Paper $1.50; Canadian Oil Cos. 4%, Henry Morgan & Co. 4¾%, Wm. Neilson Ltd. 5% and P. L. Robertson Mfg. Co. $2.50. Gatineau Power Co. was the only common stockholding eliminated.

Holdings of Canadian preferred and common stocks at Dec. 31, 1951, together with the change in number of shares held during the preceding year, show as follows:

HOLDINGS OF CANADIAN PREFERRED AND COMMON STOCKS

	Held at Dec. 31/51	Change Since Dec. 31/50
	No. of	Shares
PREFERRED:		
B. C. Electric 4¾%	250	......
Can. Utilities 5%	250	......
Power Corp. 6%	1,000	......
Winnipeg Electric 5%	200	......
Abitibi P. & P. $1.50	....	—1,500
Brantford Cordage A	700	......
Brown Co. $5	350	+350
Canada Foils A	1,500	......
Can. Celanese 7%	1,860	—275
Can. Oil Cos. 4%	....	—500
Do. 5%	210	......
Do. 8%	45	—150
Davis Leather $1.50 A	1,250	—1,250
Dom. Fdrs. & Steel 4½%	800	......
Dom. Malting 5%	125	—375
Dom. Tar & Chem. $1	4,000	......
Freiman, A. J. 4½%	250	......
Hamilton Cotton 5%	200	......
Hubbard Felt A	1,250	......
Laprairie Co. 6 %	200	—4
London Hosiery Mills A	4,000	......
L. McBrine Co. $1	1,500	......
Molson's Brewery A	500	......
Monarch Knit. 4½%	300	......
Henry Morgan 4¾%	....	—250
Nat. Grocers $1.50	1,135	—865
Wm. Neilson 5%	....	—400
P. L. Robertson $2.50	....	—385
Do. $2	750	+750
Rolland Paper 4¼%	300	......
Shirriff's Ltd. 5%	1,000	......
Silverwood Dairies A	2,940	—300
H. Simon & Sons 5%	400	......
N. Slater $2.12	200	......
United Steel Corp. A	220	......
Western Grocers $1.40	325	—1,175
Geo. Weston Ltd. 4½%	1,000	......
Zeller's Ltd. 6 %	2,545	+20
Indust. Accept. 4¼%	400	......
Do. 5%	360	......
Traders Finance 4½%	500	+150
United Corp. $1.50	2,976	......
COMMON:		
City Gas & Electric	504	......
Gatineau Power	....	—4,200
N. S. Light & Power	1,500	—1,000
Abitibi Power & Paper	5,000	+5,000
Aluminium Ltd.	500	+500
B. A. Oil	2,200	+200
Can. Iron Foundries	1,000	+1,000
Can. Canners	1,100	—2,900
Can. Celanese	1,548	......
Consol. Litho.	1,965	......
Consol. Mng. & Smeltg.	1,250	—250
Consol. Paper	2,500	......
Dome Mines	4,000	......
Fraser Cos.	250	......
Great Lakes Paper	2,000	+2,000
Hubbard Felt	600	......
Hud. Bay Mng. & Smltg.	500	+500
Imperial Tobacco	1,500	......
Kerr-Addison G. M.	1,500	......
John Labatt	3,000	......
Lakeshore Mines	1,700	......
Loblaw Groc.	1,500	—800
Macassa Mines	8,000	......
McIntyre Porc. Mines	1,750	......
Molson's Brewery B	750	—250
Noranda Mines	1,500	+250
Price Bros.	5,000	+1,800
St. Lawrence Corp.	1,000	+1,000
Sangamo Co.	1,000	......
San Antonio G. M.	12,000	......
Stedman Bros.	155	......

Of the company's total invested assets, 34.5% were in bonds and 45.19% in mortgages, while stock investments totaled 11.85% of the whole. An analysis of invested assets at the end of the last four years shows as follows:

Analysis of Invested Assets

	1951	1950	1949	1948
	%	%	%	%
Bonds	34.05	37.76	37.02	38.70
Mortgages	45.19	42.55	41.22	36.83
Policy Loans	5.31	4.80	4.45	4.26
Stocks:				
(a) Preferred	5.73	7.34	8.93	10.55
(b) Common	6.12	5.48	6.02	6.59
Total	11.85	12.82	14.95	17.14
Real Estate	1.27	0.60	0.65	0.71
Other	2.33	1.47	1.71	2.36
Grand Total	100.0	100.0	100.0	100.0

PLACER DEVELOPMENT advises that 60,000 shares of treasury stock has been sold to Greenshields & Co. Inc., of Montreal. Proceeds of this sale will be applied towards the cost of expansion now in progress at the lead-zinc and tungsten property of Canadian Exploration Ltd., of Salmo, B.C.

ANKENO MINES reports Torny Financial Corp. has taken down and paid for the first block of 125,000 shares of stock at 20c a share leaving 125,000 shares at 20c payable by September 28, 1952. There are 2,284,151 shares outstanding and 1,215,849 shares in treasury.

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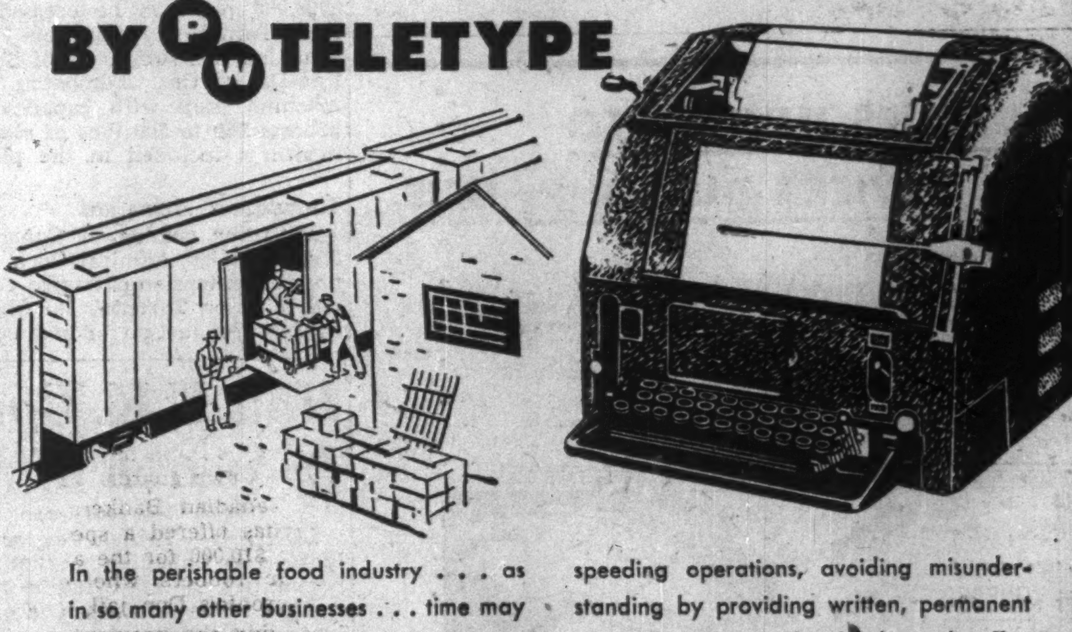

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Because buying "on time" means buying out of income — and not at the expense of savings. It means controlled spending, the key to a balanced budget.

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Last year Canadian families made over 250,000 purchases on the I.A.C. Merit Plan — the preferred way to buy "on time". These "time" purchases are an essential part of Canadian business.

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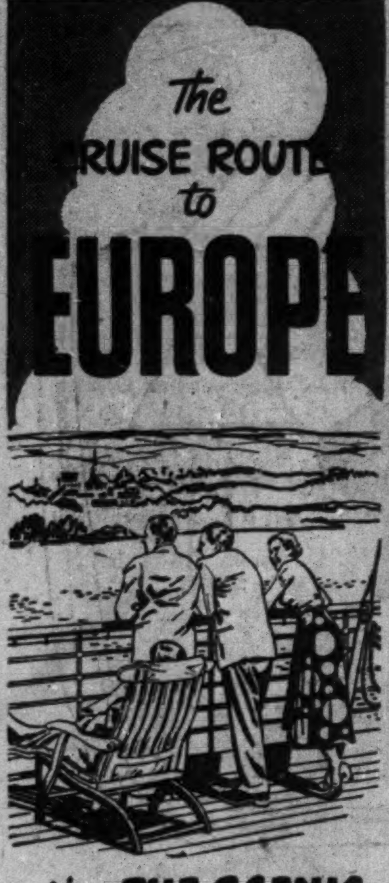

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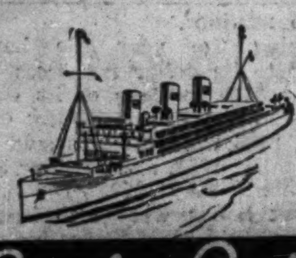

Canadian Pacific

CANADIAN CHEMICAL & CELLULOSE CO. reports directors' approval of issuance of options to company executives to purchase 50,000 common shares at the market price on Aug. 20, 1952. Options will expire Dec. 31, 1952.

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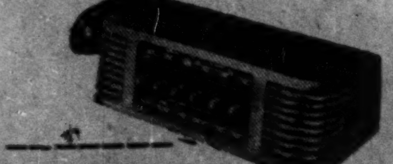

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Chartered Banks' Currency Held To Minimum At Branches

Charges by Toronto's Mayor Lamport that chartered banks are lax in their security measures against armed robbers has brought sweeping denials from bank executives.

Mayor Lamport's criticism followed the $28,000 robbery at a Toronto branch bank last week. An early report stated that the money had been "left lying around." Bank officials emphasized that the money had actually been taken from a safe inside a vault.

Suggestion that each bank keep a guard at every branch would mean a cost disproportionate to the funds protected, it was stated.

In a public statement, L. G. Gillett, president Canadian Bankers' Association, stated that "the banks don't leave money loosely around." The amount of currency maintained at branches is kept at the minimum which experience has shown is necessary; the bulk of it is kept locked in the vault and only till money is kept outside, he declared. He added:

"Money is the banks' stock in trade to a considerable extent and sufficient funds have to be kept at branches to enable them to cope with demands which develop from hour to hour. It would obviously be impractical for a branch requested to furnish funds for a payroll to have to tell the customer to wait until the money arrived from some central distributing point.

"Money stolen by bank robbers is not a charge against bank profits for such losses are protected by insurance, but the premiums are high and are not likely to be reduced in the near future.

"There are special guards at large branches but the cost of such guards at every branch would be out of proportion to the value of the funds so protected. The experience of United States banks has been that when robbers enter a bank known to have a special guard they are very likely to commence shooting at the outset in order to put this man out of action with consequent increased danger to public and bank staffs. With our efficient police systems it should not be necessary to have special guards over every branch for this would be reverting to the situation of 100 years ago when every important business house had to employ its own guards."

The Canadian Bankers' Association has offered a special reward of $10,000 for the arrest of the four robbers who escaped from Toronto's Don jail, Sept. 8.

Following the previous recapture of three of the four escaped robbers, and the capture of Suchan after the fatal shooting of Sgt. of Detectives Edmund Tong the association divided a gratuity of $5,000 between the benevolent funds of the Toronto and Montreal police. It also contributed $7,500 to assist the widow of Sgt. Tong.

Wpg. Electric 4% Bond Issue 'Going Well'

MONTREAL (Staff) — A secondary offering of $10 millions 4% series first mortgage bonds of Winnipeg Electric Co. is being made by a syndicate of dealers headed by Nesbitt, Thomson & Co. Priced at 93.73 and accrued interest to yield 4.5%, the bonds were "going very well" at early mid-week.

They form part of a 25-year series, sold in 1946 and due May 1, 1971, and were purchased from an existing bondholder, said to be a U. S. insurance company.

Earnings figures of Winnipeg Electric for the first six months of 1952, included in the prospectus, show a consolidated net (after depreciation but before bond interest and taxes) of $2,714,027, against $2,066,386 in the same 1951 period. Bond interest for the first half totaled $529,417. For the last 10 years, the prospectus notes, interest has been earned on the outstanding first mortgage bonds an average of 5.09 times before depreciation, 2.97 times after depreciation.

Capitalization consists of $35 million first mortgage bonds authorized, of which $1.6 million 2¾% serials due 1953-56, $13 million 3¾% series due 1971 and $13 millions 4% series due 1971, are outstanding; $5 millions authorized and outstanding 5% noncumulative $100 par preference stock; and 568,581 authorized, 654,989 outstanding, no-par-value common shares.

The sinking fund and serial maturities are estimated to be enough to retire over 26% of all outstanding first mortgage bonds prior to May 1, 1971.

Last year, legislation passed by the Province of Manitoba gave the Government authority to expropriate Winnipeg Electric under certain terms and conditions. Comments the prospectus, "up to the present time, however, while certain negotiations have been carried out, the problem of the acquisition of the company or its electrical facilities by the Provincial Government has not been solved."

U. S. $ Value in Canada

Daily as Reported at Noon By The Bank of Canada

Week Ended September 5, 1952.

Mon.	—	Thur.	.96 2/32
Tues.	.96	Fri.	.96 2/32
Wed.	.96	Ave.	.96 1/32

RICHMOND, QUE., has sold $61,500 4% bonds due Sept. 1, 1953-62, $35,000 4¼% due 1963-67, and $74,500 4½% due 1968-72, to A. E. Ames & Co. at 98.17. Net cost 4.55%. Proceeds for fire protection, waterworks, sewers, purchase of land and construction of building for industrial purposes. Net funded debt at Sept. 30, 1951, $171,104. Population, 3,500.

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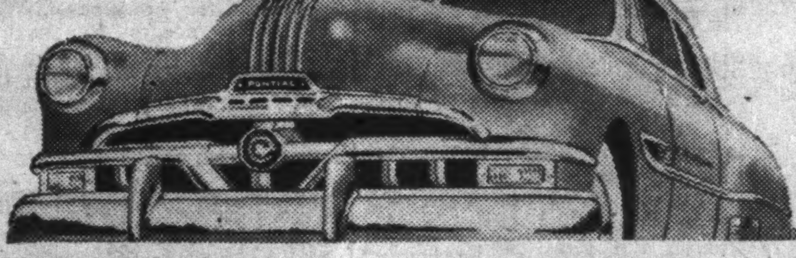
For there's something *basically better* built into Pontiac—something you must *drive yourself* to appreciate fully.

First of all, there's the instant response of the high-compression engines—for horsepower is stepped up on both the Pontiac "6" and the Pontiac "8". Then, if you're driving a Chieftain with Dual-Range Hydra-Matic Drive*, you'll notice how all the power you need is delivered to you precisely and automatically—exactly when you want it. Or, in a Fleetleader Deluxe with PowerGlide†, this wonderful, oil-smooth automatic transmission will glide you over the miles with amazing ease.

Somewhere on your drive, park the Pontiac and look it over carefully. Notice how Pontiac is packed with features which make it fully worthy to be *classed among the finest*. Features like GM "Shade-Lite"‡ tinted glass all around which filters out dangerous and unpleasant glare and heat and includes the exclusive *shaded* windshield.

Then drive back to us, and we'll gladly give you the facts and figures which prove the spectacular 1952 Pontiac is *priced among the lowest!*

*Dual-Range Hydra-Matic is optional at extra cost on the Chieftain Series.
†PowerGlide is optional on Fleetleader Deluxe Models at extra cost.
‡Optional at extra cost.



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SEE YOUR LOCAL PONTIAC DEALER

Insurance Law Revision Now Near Realization?

In government and insurance company circles and among citizens that buy "other-than-life" insurance, hopes are high that the long expected revision of the insurance acts in force in most of the common law provinces is soon to be realized.

At the conference of the provincial insurance superintendents, starting Sept. 29, at Toronto, it is expected, authority will be given to start drafting the new legislation. This revision is planned to simplify and clarify existing non-life legislation and policy forms and eliminate many causes of misunderstanding and irritation.

Comments received from various interested business organizations indicate that opinion on the general principles involved is sufficiently unanimous to justify redrafting the existing law. When completed, it will be virtually a new act.

Quebec province is drafting a new law of its own and is not affected by the proposed amendments to the uniform act.

The plan to revise the insurance laws other than life originated before the war; was dropped during the war and then revived. Unlike the law affecting life insurance, which had been revised previously from time to time, the law affecting "other-than-life" insurance was considered out of date and the insurance superintendents have been anxious to get on with the job, since the war ended.

Difficulty was found at first in the different opinions among interested parties—legal authorities, different type of insurers, different public bodies and individual companies. However, it is now believed most of the differences have been ironed out and that those remaining can be adjusted satisfactorily.

Will Give Authority

If the superintendents' conference after further discussion concludes that opinion is reasonably unanimous, it will authorize its committee to draft a new law which will then be submitted to the provincial governments, companies, trade and industrial bodies, etc., for comment.

In general, the principles suggested for drafting the new act are that:

—eight of the 24 statutory conditions in the existing standard fire insurance policy be retained;

—twelve be transferred to the substantive law (the insurance act itself) rather than be carried in the policy contract;

—seven be printed on the proof of loss form rather than the policy itself;

—the remainder be deleted entirely and

—the statutory conditions approved for the fire insurance contract be carried into other policies including the fire peril.

At present statutory conditions are found only in the fire, automobile and accident and sickness policies.

The conditions recommended for retention include those dealing with exclusion of property not owned by the policyholder, changes material to the risk (as when a residence is turned into a factory, etc.) and the duties of an insured after a loss to protect property, etc.

Conditions which would be transferred to the substantive law include those dealing with fraud and misrepresentation, control of salvage, replacement options, etc.

Certain conditions transferred to the substantive law would also be printed on the proof of loss form, these all dealing with such matters as, who may make proof of loss, forms of proof of loss, fraud in proof of loss, etc.

Conditions dealing with property and risks not covered, risks not covered except by special permission (buildings under repair, etc.) should be deleted entirely and left to agreement between the insuring parties and covered under the policy wording, it is suggested.

The Toronto Board of Trade approved the plan to adjust the fire statutory conditions to a basis on which they can be applied to the fire peril wherever found in other policies, and that they will also apply to all perils in multiperil contracts which include the fire risk.

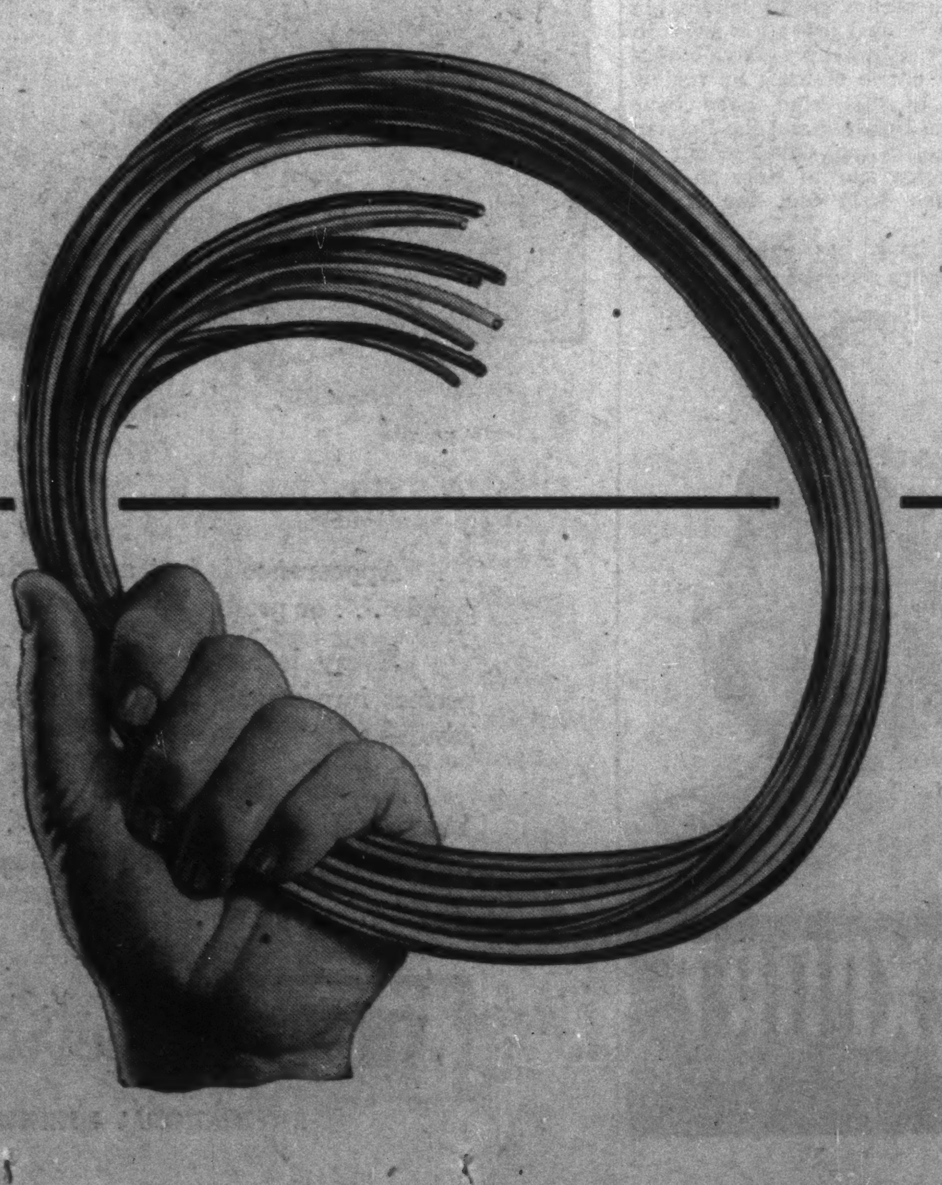
The Canadian Manufacturers' Association suggested that statutory Condition No. 1 dealing with misrepresentation regarding the property to be insured be clarified, to emphasize that even an innocent misrepresentation material to the risk may void a policy in whole or in part.

The C.M.A. also suggested that the number of conditions transferred to the substantive law and also printed on the proof of loss form be increased and also that the condition regarding lightning and explosion, and one regarding the power of the agent to enter into an insuring agreement be retained and not deleted as the report of the insurance industry suggested.

Suggestions submitted by C. E. Seibert on behalf of the Ontario Agents Association were also considered.

The superintendents' committee on insurance law revision after reviewing the situation says in its report to the coming conference:

". . . There appears to be no useful purpose in further extended discussion of the principle of revision and its acceptability will depend largely on its examination after it is placed in statutory form. Your standing committee now recommends that it be instructed to draft legislation designed to implement the terms of the said report . . . and if possible to circulate a draft before the 1953 conference, so that it may be discussed thereat in detail."



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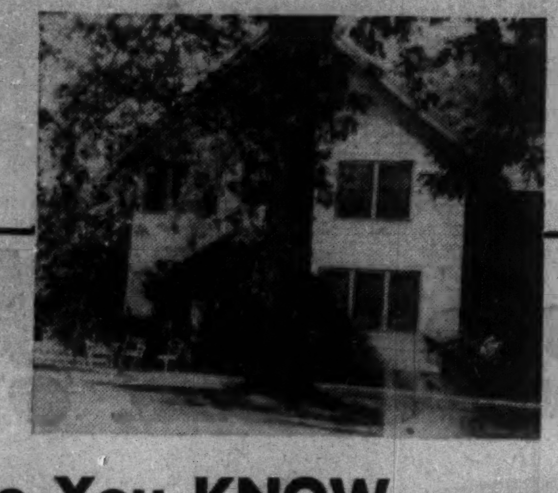

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How the World Bank Helps Nations Help Themselves

Aid by the International Bank for Reconstruction and Development to countries trying to help themselves, includes not only financial assistance by loans but technical advice on methods of raising national production; making the best use of natural resources; raising the standard of living.

Loans made in the fiscal year ended June 30, totaled $298 millions, ($1,412 millions since the bank started operating). These loans have been directed mainly toward increasing agricultural production; development of electrical power; establishment of transportation facilities; expansion of industry. Of prime assistance has been a first-hand survey of each nation's position. Here is a digest of the bank's comments on world economic conditions and developments.

The bank's technical assistance program stems from the conviction that external financing will be of most value in countries already making the best possible use of their own resources.

To meet this objective the bank organized a general survey mission—a group of experts specially organized to make an intensive first-hand study of a country's resources. It then formulates recommendations designed to serve as the basis of a long term development program.

First general survey mission went to Colombia in 1949 and since then eight such groups have been sent out.

During the past fiscal year, reports have been sent to Cuba, Guatemala, Iraq and Surinam, with reports on Ceylon and Jamaica pending.

These missions have varied in size and composition according to the needs of the individual country. Usually they have included advisers on public finance and general economics, industry, power, transportation and one or two agricultural specialists provided by the Food and Agriculture Organization.

Other Experts Added

Experts from other fields such as education, public health, mining and irrigation, etc., have been recruited as needed, the last two on an international basis.

At least one or two bank staff members have served on the survey in every case, and the tendency is to use more. This assures specialized knowledge accumulated by the bank being made available to the survey group, and provides greater continuity between the work of the mission and subsequent activities of the bank.

The broad purpose of each particular group has been the same in all cases, to help work out long range programs designed to raise the level of productivity and increase the standard of living. The results achieved through this type of activity are hard to evaluate. It is still too early to attempt any general appraisal; and in many cases the most far-reaching contribution a mission can make may be the intangible effect of its work in changing the approach of the government to its development problems.

Results Achieved

There is, however, encouraging evidence that the work of the survey missions is achieving results in most countries where they have gone.

In Colombia, for example, the stimulation provided, directly and indirectly, by the Bank's general survey mission has already had concrete results. After transmittal of the group's report in 1950, a non-partisan development committee of leading private citizens was appointed by the Government. Aided by Bank technicians, the Committee spent more than a year outlining a long-term program based on the mission's recommendations.

The Government is carrying forward this program. It has adopted budgetary and banking reforms, lifted restrictions on imports, relaxed exchange controls and adopted a liberal and encouraging attitude toward foreign capital. Inflation has been checked. The Government has established a National Board of Economic Planning that will serve as the focal point for the co-ordination of the country's whole development effort.

The Bank is continuing to provide technical assistance in Colombia to help carry on the work set in motion by the mission's report. It nominated the Economic Adviser chosen to assist the new planning board. Consultants retained jointly by the Government and the Bank are making studies of the administrative and financial aspects of a proposed reorganization of the railway system and of ground facilities for civil aviation. In June 1952 the Bank was preparing to send to Colombia the recommendations of a financial expert, also jointly retained by the Government and the Bank, for measures to promote investment in industry and to improve the market for government securities.

In Guatemala

In the case of most of the other countries that have been visited by general survey groups, the mission reports are still too new to have had an impact similar to that of the Colombian Report. Nevertheless, beginnings are being made. In Guatemala, for instance, construction of a highway between Guatemala City and the Atlantic Coast—a project given top priority by the survey mission—has been started. A commission has been appointed to make recommendations for reorganization of the nationalized rural estates, an essential reform stressed in the recommendations presented to the Government; and several other proposals are being followed out. In Turkey and Iraq, analysis of the most recent development budgets indicates that governmental thinking has been substantially influenced by the investment recommendations of the Bank's missions. The Government of Cuba has recently framed a comprehensive request for technical assistance, based on the report of the Bank's survey group. In June the Government enacted legislation reorganizing the National Economic Planning Commission, in accordance with the recommendations of the Bank's mission.

A variation of the survey mission technique has been employed by the bank in Nicaragua, with excellent results. Nicaragua originally asked for a general mission. After discussion, it was mutually agreed, instead, that the Bank would provide one or two members of its staff to work directly with the Government on drawing up a development program and determining the first steps needed to carry it out.

The Bank named a member of its economic staff as special representative to Nicaragua. Assisted by a Bank engineer, he spent from July 1951 to May 1952 in Nicaragua helping to draw up a development program. The members of the Bank's staff also helped the Government to arrange for other experts to come to Nicaragua for shorter periods to study agriculture, transportation, fiscal problems, banking and credit, and the organization of a development corporation. Although the final report of the special representative has not yet been presented, the Government already has taken action. It has brought into effective operation a National Economic Council, is establishing a development corporation, has adopted a five-year development program and a budget for its first year, and has undertaken major changes in fiscal, budgetary and tariff policies.

Agriculture In Chile

During the year the Bank continued to provide a variety of technical assistance in addition to the general survey missions. These included: a joint Bank-FAO mission to make recommendations for a program of agricultural development in Chile; the dispatch of specialists to advise on particular development problems such as the stimulation of capital markets and the organization of development corporations; and the recruitment of experts to serve as economic and financial advisers.

Some of the bank's lending in less developed areas has been in support of broad programs covering an entire country or region. Loans of this kind have been made to Belgium and the Belgian Congo for the development of the Congo and to Italy to help Southern Italy and the Italian island.

The bank has engaged in a wide range of lending to encourage agriculture, finance farm mechanization, land clearance, irrigation, flood control, improvement of individual farms and forestry etc., total $128 million.

In some countries, including those purely agricultural, basic transportation facilities are needed to quicken trade, internal and external, trade and provide new incentives for production. Without ready access to markets, farmers in many countries will continue to grow only what they need for their own consumption; without adequate roads and railroads to reach potential customers, industry will not flourish; and raw materials beyond the reach of transportation will lie idle. Loans for transportation account amount to $179 millions.

Loans for electric power developments, etc., totaled $391 millions.

Lending for industry has been limited by the clause in the bank's charter that loans to private borrowers be government guaranteed, and the difficulty in assessing merits and feasiblity of such enterprises. In a number of cases the bank has helped to organize local credit institutions and provide funds for industry through them. Industrial loans are about $82 millions.

In the past fiscal year the bank made 19 loans in 16 countries for a total of $298.6 millions. In five year the bank has lent $1,412 millions to 27 countries. Of the total approximately $30 millions has been cancelled or refunded leaving $1,382 millions.

Total disbursements during the fiscal year were $184.8 millions ($77.6 millions in the previous year). Total disbursements since the bank began loaning are now $876.5 millions.

During the year the bank added to its dollar resources by selling $150 millions of its own bonds in the United States; one issue, $100 millions; was sold in September 1951, and another $50 millions in May 1952.

Bank bonds were also issued outside the United States including $15 millions in Canada, its first issue in this country.

Canada during 1952 released the balance of its original Canadian dollar subscription, $41 millions out of her original Canadian dollar subscription of $58.5 millions.

Canadian Safeway Sales Up 11.6%

Net sales of Canada Safeway Ltd. in the first 24 weeks of 1952 totaled $62,238,639, up 11.6% from $55,784,726 in the corresponding period of 1951.

Total sales of the entire Safeway operations, including the Canadian subsidiary, reached an all-time high of $731,684,185 in the first half of 1952 compared with $645,902,975 in the same period last year, an increase of 13.28%, reports President Lingan A. Warren.

Profits, however, dropped 33.7% from $4,162,414 in 1951 to $2,759,097 in the 1952 period. After provision for preferred dividends, this is equivalent to 78c per common share compared with $1.27 last year.

The construction program in Canada was held up by the steel freeze, according to the company, but work is starting now on a number of projects.

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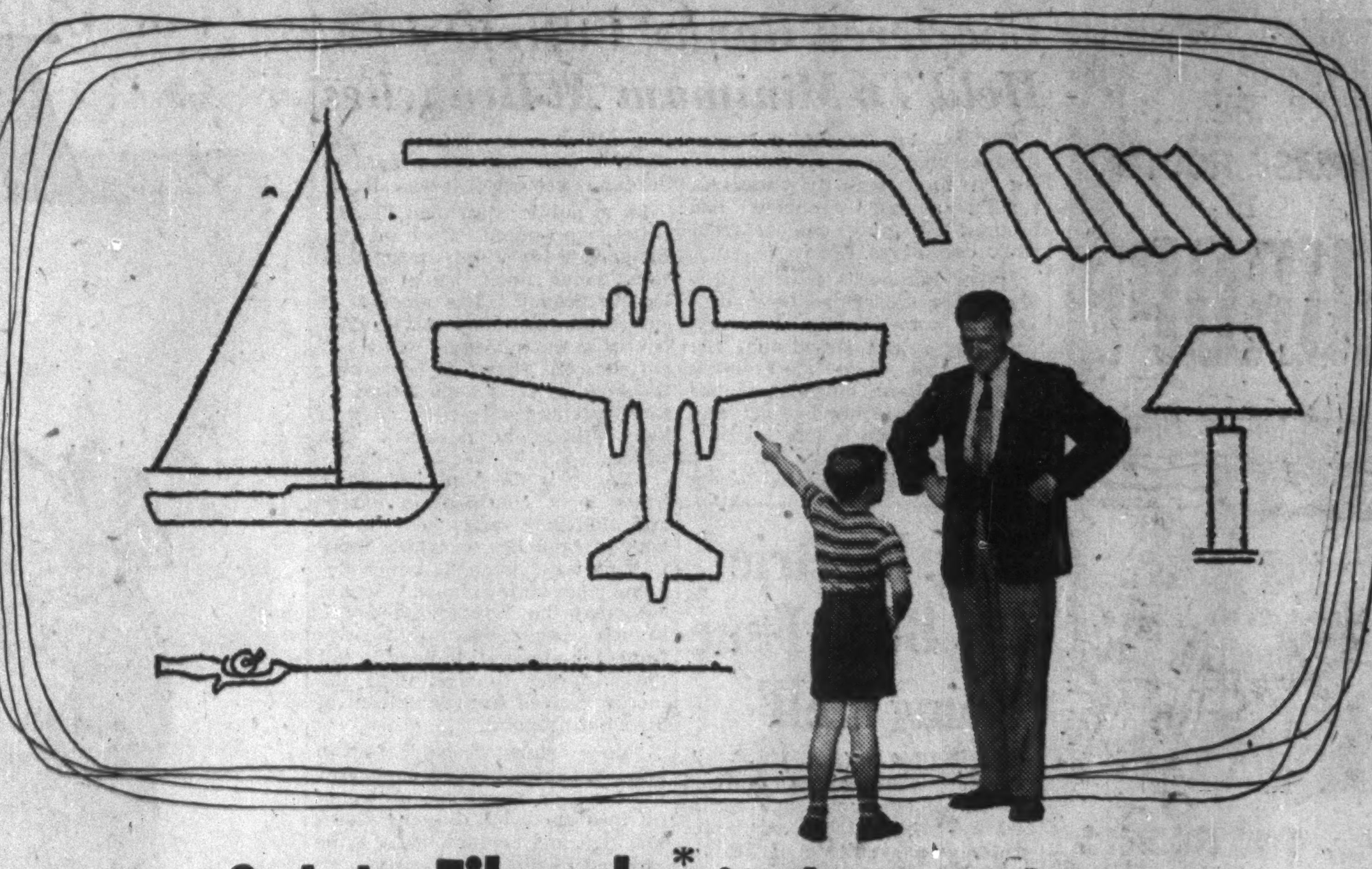

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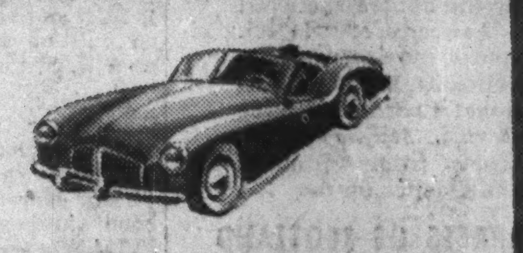

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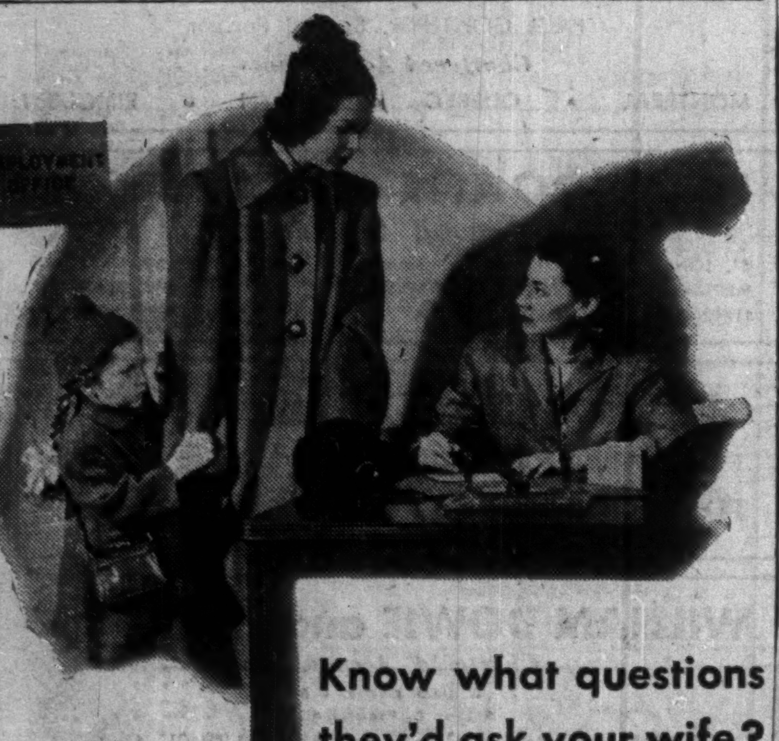

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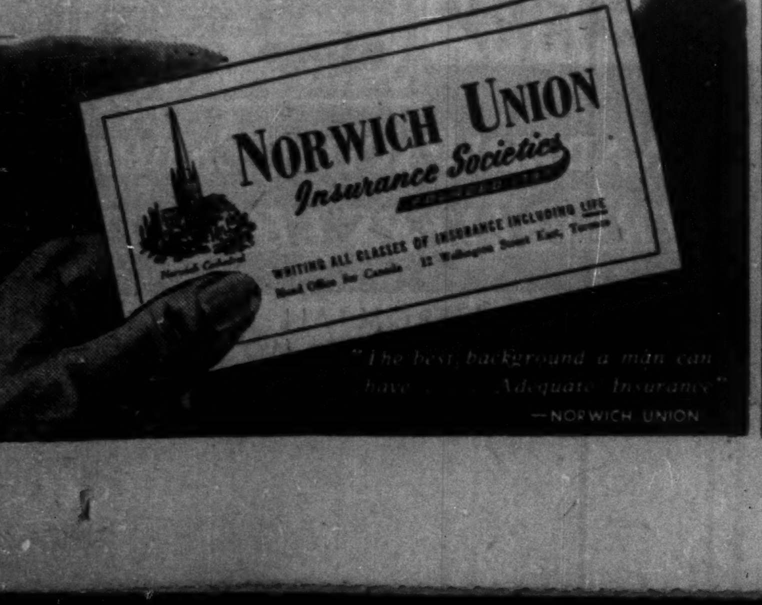

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Group Insurance For Pensioners Tending To Increase In Canada?

A considerable number of Canadian employers are arranging to carry on their group life insurance protection for employees who have reached retiring age and gone on pension, The Financial Post is told.

For some years employers have been making some arrangement of this kind, either by carrying their pensioners on an existing group policy or by buying a paid up policy varying according to years of service and salary at time of retirement. But the trend appears to be upward.

One example cited is a financial concern which had a group insurance policy providing a maximum coverage of $10,000 for individuals in the top bracket of service and salary. Under the retirement plan, the group insurance was carried on at the full amount for five years then cut by half and carried on until the death of the pensioner.

In other cases, a pensioner is given a paid-up life insurance policy.

Considerations behind the extended insurance idea is that when a man goes on pension he still usually has responsibilities and needs insurance then as much as ever, as his wife is probably past the age when she could obtain employment readily. On the other hand, children are usually self-supporting when the father goes on pension and the amount of insurance required is not so large. Moreover, the wife's expectation of life is less than it was 10 or 20 years earlier. But some insurance is still needed.

Obstacles Exist

Insurance men say there are obstacles to keeping pensioners on the group policy, chiefly because if a group of pensioners all over 65 are kept on the payroll it increases the average age of the group and so raises the cost of the insurance sometimes to a prohibitive extent. To meet this objection, some plans provide for a 10% reduction every year in the amount of insurance protection on pensioners.

The individual policyholder under a group contract has the right to change his group policy, which is a term policy, into level premium insurance without medical examination. But only a limited number of people can afford the premium rate on whole life insurance at age 65.

The paid-up policy plan has many supporters, except that unless there is some special clause in the contract, the pensioner may take the cash value and then his estate is without the insurance protection. Some claim group insurance for pensioners is feasible only in the case of large, old, financially very strong companies, because of the expense.

More Certificates In Force

Meanwhile, the number of group contracts in Canada is increasing, 10,103 on Dec. 31, 1951 (8,915 in 1950).

Figures released by the Federal Department of Insurance show, 2,960,076 certificates in force at the end of 1951, an increase of 329,981 or over 12% from the previous year. Total volume of group life insurance in force on Dec. 31 was $3,090 millions, ($2,582 millions at the end of 1950). Sales in 1952 have been running in some months about 50% higher than in 1951.

Some of the growth is due to the policy of the companies in writing groups not previously covered such as Chambers of Commerce, Boards of Trade, trade associations, including retailers handling a certain class of merchandise, etc. Some trade unions also make group insurance available to their members, unable to get it elsewhere.

No Numerical Restriction

Under Canadian law there's no numerical restriction for group life insurance.

The Ontario version of the uniform life insurance act, in force in all provinces except Quebec, defines group life insurance as "Life Insurance other than creditor's group life insurance whereby the lives of a number of persons are insured severally under a single contract between an insurer and an employer or other person contracting with the insurer."

(Creditor's group life insurance is defined as "life insurance effected by a creditor on the lives of his debtors whereby the lives of his debtors are insured severally under a single contract").

Thus there is considerable latitude allowed in writing group policies, the responsibility for sound practice being placed on company executives.

A. R. GILLESPIE

has been appointed vice-president, purchasing, Victory Mills Ltd., Toronto.

Basic Principles

A number of principles have developed under sound underwriting practice, however, such as:

—It is desirable to get a reasonably broad group underwritten so that the company is not exposed to an abnormal risk as regards age and infirmity.

—It is also desirable to have a steady stream of young healthy lives coming on all the time to balance the inroads of age and infirmity.

—A substantial proportion of the employees or other group should be got to insure under the plan. As there is no medical examination there would be a tendency for all sub-standard risks unable to get insurance ordinarily to come in on the group plan, resulting in an abnormally heavy liability to the company.

While various group relationships may be insured under the plan, (even "people living on the same street" having been mentioned as a possible group) the employer-employee relationship is regarded as especially desirable, because the employer is especially well situated to collect premiums from payroll at the source, if they are paid partly by the employees, while in some cases they are paid entirely by the employer.

Need of Regulation

The need of some regulation regarding the number and age of the people to be insured under a group policy is evident from the fact that one firm might have only five employees—all over 65. A group policy on such a firm would likely prove expensive to an insurance company.

Where a large number of young healthy lives are coming into the plan each year, these help to offset the older and less healthy individuals.

This year sees the 40th birthday of group insurance, the first group policy having been written by the Equitable Life Assurance Society on the employees of Montgomery Ward & Co. in the United States. Group life insurance started in Canada in 1919.

Attitude of Juries Blamed As Insurance Rate Factor

The "stick-the-insurance-company" attitude of many individuals is a basic factor behind increasing rates for automobile liability insurance, Irvin S. Markel, president of American Fidelity & Casualty Co. declared at New York.

Present rate situation confronts companies writing automobile coverages with the most difficult problem in their history, Mr. Markel declared. He did not know of a single company in this group which had not suffered an underwriting loss on automobile liability and property damage in 1951.

Noting that inflation has undoubtedly played a large part in the claims picture, one of the most important factors adding to the cost of claims is "the tendency of juries, ignoring questions of liability and equity, to grant awards to claimants without justification, for reasons of sympathy or otherwise," he declared.

Mr. Markel was speaking of the situation in the United States but conditions in Canada have been described, many times, as parallel.

Experience of his own company illustrates vividly the effect of high claims on insurance company operations, he asserted. Despite a drop of 11% in the first half year, accident frequency rate of intercity and interstate heavy vehicles insured by American Fidelity & Casualty, the actual dollar amount of claims continued at a very high level, reflecting excessive jury awards, as well as greater repair bills and increased costs of hospitalization and medical treatment, he charged.

He urged that all prospective jurors must understand the fallacy of thinking that insurance companies can afford to pay at all times; and explained that automobile insurance rates are "based upon a standard which is intended to yield to the insurance company sufficient funds to pay legitimate claims and expenses and retain a small amount of profit. . . . Unfair and excessive jury verdicts increase the rate of insurance which must be paid by every car owner.

"Bus riders and freight shippers also feel the impact of higher fares and tariffs, and the jury members themselves are eventually called upon in one form or another to pay a portion of every unjustifiable award. So, after all, 'sticking the insurance company' actually results in 'sticking the public.'"

New U. S. Firm To Inform on Can.

A new U. S. company, designed to provide complete information on Canada to U. S. investors of institutional funds and to private investors of substantial means, Canada Research & Management Inc., Chicago, has been formed announces Harold Long, president.

"With the growing interest in Canadian investments in the U. S., much more specific information is needed by larger groups of investors," he says. "We believe our organization is the only one of its kind in the U. S."

Long was manager of the Canadian department of McMaster, Hutchinson & Co., Chicago, for 11 years prior to forming the new company. Previously he had been associated with Royal Securities Corp., Montreal.

Prudent'l Women's Age Now 65 For Retirement

Prudential Insurance Co. of America has raised its retiring age for women to 65 years, the same as for men. Those who want to retire at 60 may do so, but otherwise will not retire until the first of the month following their 65th birthday.

Those remaining on until 65 will retain all benefits previously earned and will earn additional benefits by service after 60. About 635 women office workers in Canada are affected, about 14,500 over the whole company.

Prudential finds women don't want to retire at 60. They are in good health, mentally alert, and interested in keeping busy.

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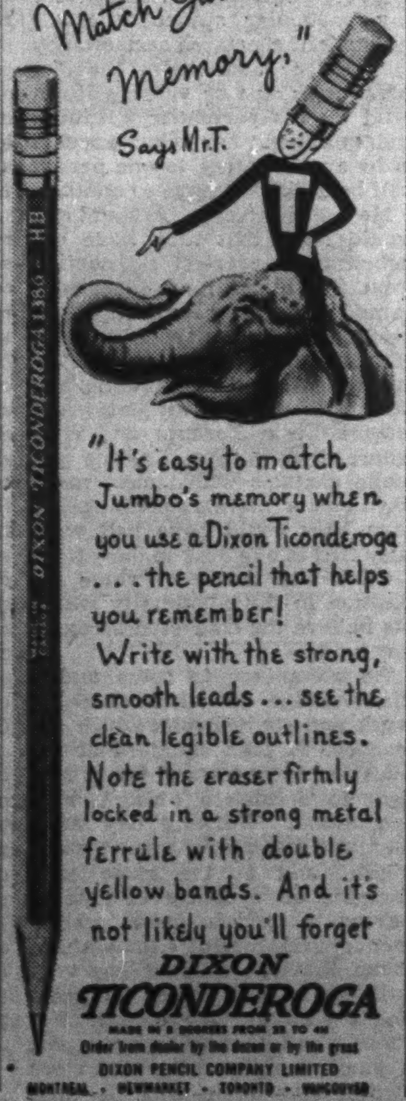

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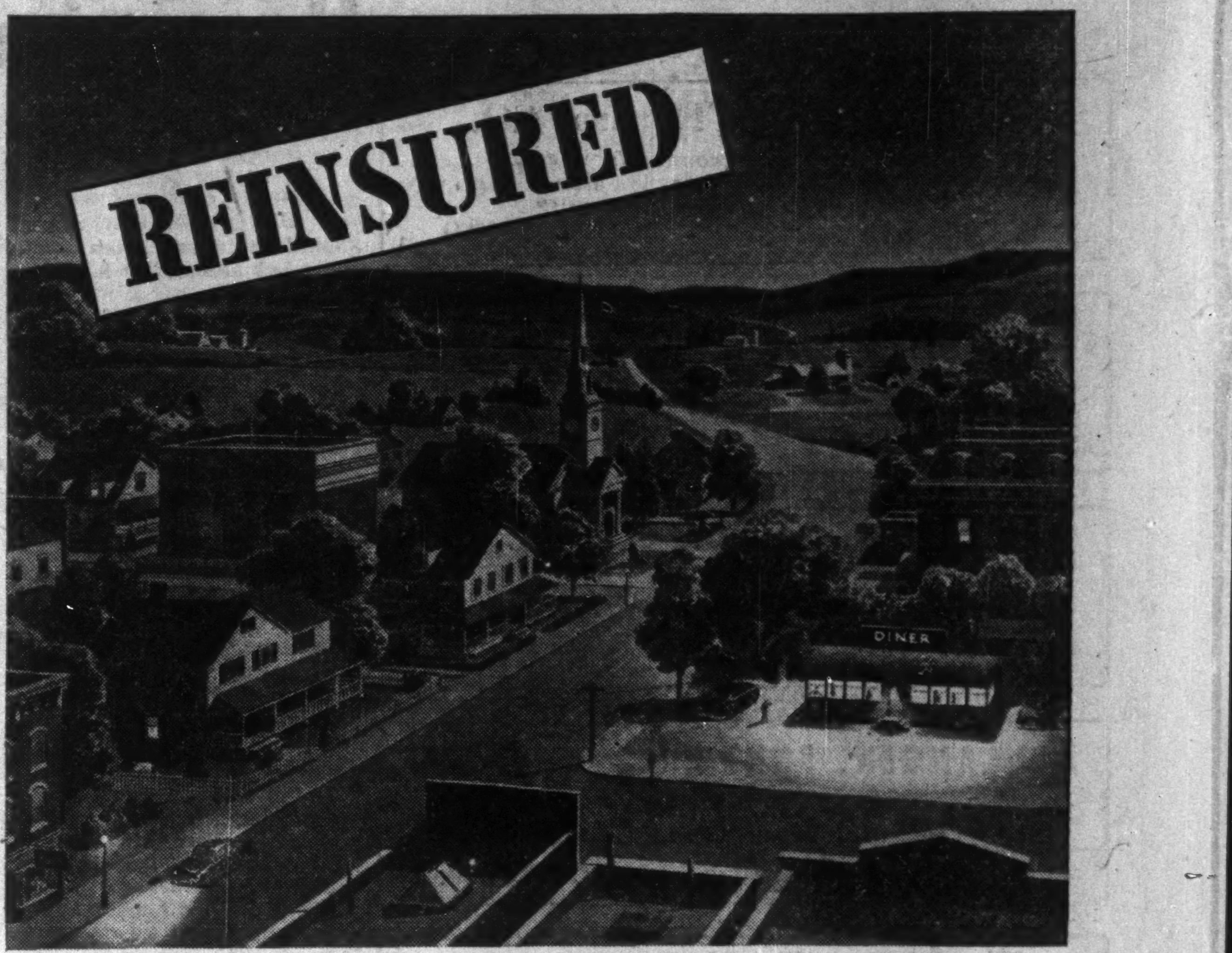

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Here's Career Opportunity for Youth

The Story of Chartered Accountancy as a Vocation

What is a chartered accountant? How do you become one? Should a young man make chartered accounting his vocation?

"Chartered Accountancy as a Career" was discussed at a meeting of guidance teachers by J. R. M. Wilson, F.C.A., who states: "From my own experience I know of many who might have had a very worthwhile career in the accounting profession who never even investigated it because it never occurred to them." He is a partner in Clarkson, Gordon & Co., Toronto.

Here is a digest of Mr. Wilson's address:

By J. R. M. WILSON F.C.A.

It might be as well to start by discussing briefly what a chartered accountant does.

Almost half the chartered accountants in Canada are engaged outside of professional practice and as such they act as treasurers, comptrollers, and sometimes general managers of companies throughout Canada. Some are in the government service. One may notice from reading the financial pages of the newspapers that it is becoming more and more frequent to find that with public companies the treasurer is a chartered accountant.

Of those who practice the profession, some are sole practitioners but most are partners or employees in firms of practicing accountants. Some firms have offices in one city only; others in as many as 10 or 15 cities across Canada. Most chartered accountants who are in practice — even those practicing alone — are assisted in their work by students-in-accounts, who are taking a course of training to become full-fledged chartered accountants. In general the ratio is somewhere in the neighborhood of 1½ students to each chartered accountant in practice.

The most important part of the practice of chartered accountants is auditing or the examination of financial statements. Every limited company is required by law to appoint auditors who must report to the shareholders whether in their opinion the statements exhibit a true and correct view of the state of the company's affairs. It has become the practice over the years for the position of auditor to be filled by professionally trained people who know what checks of records and documents and what other procedures should be employed in order to enable them to express an informed opinion of this nature. In Canada much the largest group of professional accountants are those who are known as "chartered accountants."

The examination of financial statements (or, as it is more usually referred to, "auditing") requires a certain amount of checking of supporting data against books of account. The old-fashioned picture of an auditor as one who sits at a desk and methodically checks the figures shown by the company's books, is, however, far from a realistic one today. Over the years the amount of detailed checking has been reduced to the point where now a test of the records is usually considered sufficient in larger businesses. The detailed work of addition which formerly used to occupy a good deal of the time of auditors and particularly of their students is now done in many cases by comptometer operators who can do the work much more quickly and, sad to say, much more accurately.

In addition to such checking of records as is still required — and of course this is still an important part of auditing — the auditor does such diverse things as enquire into the manner in which duties are divided up in an office so as to satisfy himself that there is a reasonable method of internal control, send out circularization notices to customers asking them to advise him whether the account is correct or not, observe the taking of physical inventories and make test counts of inventories, count cash and securities and investigate the method of determining costs. The carrying out of this program brings the auditor into touch with all phases of the company's business, and because of this there is no better way of finding out about any business than through the auditing route.

Chartered accountants do more than merely examine financial statements.

They also advise their clients on taxation matters which is a very important thing these days. They not only prepare tax returns but carry on with the taxing authorities discussions necessary to arrive at a settlement if the return is challenged on assessment.

Chartered accountants interpret to their clients the significance of the various figures appearing in the financial statements. Most businessmen, particularly the proprietors of small businesses, are unversed in the ways of accounting and are therefore not able to take full advantage of the information contained in financial statements. The chartered accountant therefore frequently sits down with the manager and points out to him where the business is headed, what financial shoals lie ahead, what has happened to the profits, what lines are proving profitable and what lines unprofitable, and so on.

But the work of a chartered accountant cannot be confined to any recital of some of these more usual activities which I have mentioned. On the contrary most accounting practices will branch off in various directions depending on the abilities of the practitioners and the needs of the clients. Thus, some chartered accountants will find that a considerable part of their time is spent in developing effective systems for offices, others in the preparation of budgets, others in the preparation of briefs for submission to government authorities, and others in the examination of businesses with a view to finding out what their value is for a prospective purchaser.

Chartered Accountants in Canada

In Canada today there are some 4,900 chartered accountants. Each one is a member of a provincial Institute — nearly 2,000 are members of the Ontario Institute — and each provincial Institute, among other things, is responsible for the admission and training of students and the discipline of its members.

Each of these members is also a member of the Canadian Institute of Chartered Accountants, the federal organization which takes care of those professional activities which are better handled on a national basis. Among other duties the office of the Canadian Institute assists in the preparation of uniform examinations at the intermediate and final levels. As a result all students-in-accounts in Canada (with a few exceptions) must pass the same examinations in accounting and auditing before they can be admitted as chartered accountants to their provincial Institutes.

Ontario Requirements

In Ontario three things are necessary for a student before he can become a chartered accountant — service, instruction and examinations.

First, a student must be employed by a practicing member and spend several years as a student-in-accounts. The number of years of service varies with the educational status of the student at the time of his entry. Thus a Grade XIII graduate (and this is the minimum educational requirement in Ontario) must spend five years as a student, while a university Arts graduate, other than in Commerce, need only take four years. The Commerce graduate on the other hand has his period of service reduced to three years. In most other provinces the requirements are substantially the same.

During this time the student will be engaged full time by a chartered accountant and will work with chartered accountants and, probably, other students. At first he will be acting as an assistant to a senior student or a practicing member. Later as he gets more experience he will be put in charge of some of the smaller jobs and take charge of the work to be done in the client's office, reporting to a chartered accountant at the end of each assignment and presenting his papers to him for review. By the time he becomes a full-fledged accountant he may continue his employment, in which case he will be given even more advanced work or he may be admitted to partnership, or he may take another position.

During his student period he must take a course of instruction. The Institute of Chartered Accountants of Ontario provides a five-year course in collaboration with Queen's University. The Grade XIII graduate takes the full five years of the course, the Arts student takes the last four, the Commerce student the last three. The course primarily covers accounting and auditing but also has lessons in law and economics. At the end of the first year of the course the Ontario Institute sets a primary examination consisting of four papers — two in accounting, one in auditing, and one in law. These must be passed by the student before he is allowed to sit for the intermediate examination which comes at the end of the third year. Graduates in Arts or Engineering must also write the primary examination, although they are not required to take the first year course. Commerce graduates are granted an exemption from this set of examinations.

At the end of the third year course the intermediate examinations must be written and, as I mentioned, this is on a uniform basis throughout Canada except for law where a separate examination is set by the Ontario Institute. For those who have not graduated from a university an examination must also be passed in economics and this may be taken at either the end of the second, third, or fourth year.

After passing the previous examinations, completing the course of instruction and the necessary period of service, the student is in a position to write his final examinations and on passing these will be admitted as a chartered accountant.

Two Misconceptions

I would like to clear up two misconceptions about our profession.

First, the examinations of the Institute of Chartered Accountants are not too difficult for an intelligent student. Last year in Ontario 64% of the students writing passed their primary examination, 63% their intermediate examination, and 61% their final, while 18% were allowed a supplemental examination on the final. Supplemental examinations are allowed only at the final level. It would be simpler, of course, if we were able to point to a 100% passing record but the Institute has always been proud of the standards of achievement of its members, and has never been willing to lower these standards. On the other hand there is every indication in these figures that a student who has an aptitude for this work need have no fear as to his ability to get through.

Another misconception of the accounting profession is probably related to the remuneration of the student. In England, it is true, an apprenticeship system prevailed before the war and sometimes substantial premiums were paid to enable a student to be apprenticed to a practicing member. There is no premium system in this country but on the contrary the students are paid a wage by their employers. Naturally it is not as much as they might expect to get in other employment because a certain amount of their time is spent in receiving instruction and writing examinations, etc. On the other hand, it is usually much more substantial than most students receive who are doing "interne" work in some other professions. Each year as he progresses the student will receive an increase in his monthly salary.

Advantages and Disadvantages

There are advantages and disadvantages to every career and to every profession. Whether for any particular student the advantages of chartered accountancy as a career overwhelm the disadvantages or vice versa will depend on his particular aptitudes and qualities. For what appears to be an advantage to one person will be a disadvantage to another.

Most chartered accountants would state that they have obtained their greatest satisfaction from the breadth of experience gained through practicing their profession. As they go in and out of many different businesses, organizations, and institutions and deal with their divergent problems both in Toronto and elsewhere, they gain experience and make contacts which have made for them a more interesting life than they could have had were they tied to one desk in one office. I think also that they value the position in the community which we believe the chartered accountant holds.

An advantage to some and a disadvantage to others are the work and study habits which are learned. A high standard of application is necessary for a student to become a chartered accountant. Working day after day, and frequently a good many nights, and at the same time carrying on a course of studies, having to send in lesson assignments and write examinations mean that the student has very little spare time during the years he is studying his course. For those who like regular hours, and a guarantee that after the clock strikes five their time is their own, chartered accountancy is a poor career to consider. But for some, work habits learned as a student have proved invaluable to them throughout their life. Study habits also are important as the training of an accountant requires the development of a degree of exactitude not to be found in many other careers and a student learns not only how to tabulate facts but the importance of basing conclusions on fact rather than fancy.

These advantages and disadvantages have been rather heavily weighed on the side of advantages. Perhaps the worst disadvantage of the chartered accountant's career is the constant pressure under which he operates; at all times it seems there is a deadline just ahead which must be met. It is no profession for a person with bad nerves or for one who is inclined to blow up in an emergency.

So far as monetary rewards are concerned I think the profession can be summarized as "not good and not bad." As with all professions those who have chosen it did not do so because they can obtain the maximum monetary reward in that field. There are few chartered accountants in practice today who could not earn more money in industry, but on the other hand there are few of them who do not obtain a reasonable comfortable living and while exact figures are not available I would think the income of a practicing chartered accountant would on the average be not less than that of a practicing lawyer or a doctor.

Aptitudes

Let us look at the aptitudes which you would look for in someone who is considering accounting as a career. The Canadian Institute has done a good deal of research in the field of measuring aptitude in the hope of providing some assurance that those who start in the profession will be able to finish the course. We have found no general pattern against which each potential student can be measured and there is no guarantee that any man will be bound to succeed in this profession. But there are certain aptitudes or characteristics that a student should have.

First of these would be good health and good nerves. While good eyesight is highly desirable a great many of our students wear glasses from the time they come in and seem to survive without too much difficulty. After good health I would put next a keen analytical mind, the type of mind that delights in solving problems and breaking them down to the essentials. I do not know whether a lively imagination comes with a keen analytical mind but if it does not I would certainly want to list this as a desirable trait. In addition I would look for a good sense of proportion because in any profession an ability to separate the wheat from the chaff is fundamental and this is particularly so in accounting. Next I would list as essential the ability to work with others, for accounting is a profession where people usually work as teams and can work more effectively in that way. Last among the aptitudes I would look for is stability of character. The one thing more than anything else that a chartered accountant has to sell is an independence of viewpoint based on absolute integrity. If there is any question that integrity is lacking, the accounting profession is no place for a student to consider.

But any listing of aptitudes for the accounting profession will be bound to suggest that these are in large measure what is required for success in any profession.

Finding out about the Profession

If a student's abilities and aptitudes are such as would seem to fit him for accountancy the first step is for him to find out as much as he can about the profession so that he can judge for himself whether he would like it. He can obtain from the Institute of Chartered Accountants a pamphlet setting out the particulars of the course of instruction and other information which would be of interest to those who are considering whether they might become chartered accountants.

Mort important, however, might be for him to talk with some practicing chartered accountant, and if his family have no friends in the profession it is usually possible to discover a friend of the family who does come in contact with a chartered accountant and ask him to arrange an appointment for the student. Or if he wishes he can come down to the Institute and talk to the secretary. A good many students who want to find out about chartered accountancy do just this. I think that there is one thing I am safe in saying that no matter how busy a chartered accountant may be he is always anxious to talk to a young man considering accountancy as a career.

It is not enough to talk to chartered accountants alone. The prospective student should also talk to several businessmen, bankers, and others about chartered accountants, their work, and their position in the community, so that he can see the profession in a certain amount of perspective. Lastly he should, if he can, talk to some students presently employed in a chartered accountant's office to find out what kind of work they are doing, whether they like it — and why.

Number of C.A.'s In Canada Is More Than Double Pre-War

The growth of Canadian business in the war and postwar years has led to a corresponding development of the chartered accountancy profession.

Since 1945 there has been over an 81% increase in the number of chartered accountants in Canada while since 1939 the number has doubled. In August, 1952, there were 4,975 members of the Canadian Institute of Chartered Accountants as compared with 2,740 chartered accountants in 1945 and 2,327 chartered accountants in 1939. Just in the past year there has been almost a 10% increase in membership (an increase of 458 members).

In addition to its members, The Canadian Institute of Chartered Accountants had 3,396 students enrolled as at August, 1952 — a slightly higher number than the 3,367 students enrolled a year before.

The Canadian Institute of Chartered Accountants is the national association of the profession and is made up of the members of all of the provincial institutes. There is an Institute of Chartered Accountants in each of Canada's 10 provinces which exercises jurisdiction over the admission of persons, over professional ethics and over standards of conduct. The provincial institutes are actually the operating divisions and deal with educational and legislative affairs in their respective provinces.

Size of the provincial institutes as of May 31, 1952, is as follows:

Institute	Date Incorp.	Number of Members	Number of Students
Alta.	1910	296	273
B. C.	1905	429	284
Man.	1886	444	334
N. B.	1916	34	58
Nfld.	1949	8	27
N. S.	1900	98	86
Ont.	1883	1,762	1,173
P. E. I.	1921	10	17
Que.	1880	1,604	924
Sask.	1908	280	160

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New Plant, Wider Scope, For Cyanamid

Production from a new Montreal plant of North American Cyanamid Ltd., scheduled to begin about October, is expected to make the company independent of imports of many pharmaceutical items from the U. S.

The new building will be Quebec headquarters for greatly expanded distribution facilities of a wide range of chemical products and "the beginning of what may become sizeable manufacturing operations in the medical and other fields," F. S. Washburn, president states. "It will permit North American Cyanamid, the nation's largest exporter of chemicals, to play an even larger role in Canada's epic-making industrial growth."

To meet sharply rising demands for industrial chemicals and pharmaceuticals, company has consolidated its several office and warehouse locations in Montreal into one newly constructed building where it will increase its scope of activities by producing pharmaceuticals and refining aureomycin for first time in Canada. New building will serve as Quebec headquarters for the Lederle Laboratories, Calco Chemical division, industrial chemicals division, plastics and resins division and textile department.

The new building will be a one floor, steel frame structure measuring 104,000 sq. ft. and occupying a 10-acre plot at 5550 Royalmount Ave., Montreal. Among features of building will be an extensive laboratory for Calco division products for the paint, textile, paper, and leather in-industries, and complete quality control facilities for Lederle Laboratories.

UK Diesel Firm Linked With Ford In Ottawa Order

Special Correspondence

LONDON—A $1,250,000 order for 1,355 vehicle diesel engines has been placed with F. Perkins Ltd., Peterborough, (U. K.) by the Canadian Government as part of Canada's Colombo Plan aid for India. The order is a direct result of exhibiting at the CITF.

The engines, PsV 6-cylinder, will be installed in Canadian Ford buses and trucks. Chassis and engines will be sent independently direct to India for assembly in Bombay. Delivery of the engines is expected to start this year.

The new vehicles will be operated on behalf of the Provincial Government of Bombay which has already standardized on the Perkins engine for a fleet of 830 vehicles.

Hope Higher Rate Will Bring Out Mortgage Money

OTTAWA (Staff) — Announcement by Central Mortgage & Housing Corp. of an increase to 5¼% on interest rates on joint loans represents a further effort to ferret out mortgage money to meet the demand for housing under the National Housing Act.

The new rates came into effect on Sept. 1 but the old 5% rate will apply to any loan on which the lending institution had given its commitment before Aug. 29 and arrangements for which are completed by December 1.

This is the second increase in rates on joint N.H.A. loans since June 1951, when it was increased from 4½% to 5%. There is provision in the Act for fluctuation of mortgage interest rates to conform to changes in government bond yields. These have increased by about one-half of one per cent during the past year.

The change will increase monthly payments under the N.H.A. by about 14 cents per thousand dollars of loan.

Abolish Sales Tax PC's Pledge in N.B.

From Our Own Correspondent

SAINT JOHN—An attempt to abolish the 4% sales tax will be made by the New Brunswick Progressive Conservative Party if elected on Sept. 22, Party Leader H. J. Flemming said in announcing his platform in the forthcoming Provincial election.

The Party's manifesto also promised a number of changes affecting the economic life of the province, including a re-organization of the N. B. Electric Power Commission, Fisheries' branch and aid to agriculture.

To date the provincial election campaign has been one of the quietest on record. However, seasoned observers feel that this is only the calm before the political storm which is expected to break loose anytime.

The Liberals, in power since 1935, have nominated candidates for all the 52 seats while the PC's, the official opposition, also completed their slate of 52 candidates this week. Nomination day is Sept. 8 and there will be about 12 C.C.F. candidates named by that date.

YUKORE MINES announces that a third interest has been acquired in 15 claims, Boston Twp., Larder Lake, adjoining immediately west of the 5-mile spread recently taken up by Dominion Gulf Co., a subsidiary of Gulf Oil Corp. The company is proceeding with development work on its base metal-gold property at Idaho Hill, 30 miles from Whitehorse, Yukon, and plans further work on its 12-claim property adjoining Salmita Consolidated next year.

YOU ASKED US

INCOME TAX

Splits Bequest

Some years ago I made a will leaving my wife the use of my estate, the remainder, at her death to be divided between our two sons equally. Now my elder son wants me to leave his share directly to his three children in equal parts. Would my estate escape succession duties by doing so or would it make any difference?

It should save a little on succession duties. One of the factors in establishing the succession-duty rate is the size of the bequest. If the half of your estate that the elder son would inherit is split into three parts, then, although the total value of the estate remains the same, each of the three bequests going to the elder son's children will be smaller than if it all went as one bequest to your son.

These three smaller bequests would then be taxed at a lower rate than the half of the total estate going in one bloc to the other son. Succession-duty rates are complex, being made up of an initial rate, based on the taxable value of the whole estate, plus an additional or "share" rate based on the size of each individual bequest, or share.

INVESTMENTS

Hudson Bay M. & S.

What is the earnings prospect of Hudson Bay Mining & Smelting Co.? Are there any factors of particular interest at this time regarding the company's ore position?

Hudson Bay Mining & Smelting Co. in 1951 realized a record profit of $6.42 a share and this high level of earnings continued throughout the first half of 1952. However, despite a somewhat better price for copper, earnings may be lower in the second half of this year due to the sharp reduction in the price of zinc of which the company is a very important producer.

The forward ore position of the company had deteriorated somewhat in recent years due to failure to find ore at depth but in 1951 initial ore was found on deeper levels and the picture has thus materially improved.

More recently, the company has acquired options on outstanding nickel-copper showings in the northwest part of Canada (in the Yukon) and diamond drilling is in progress there.

N. B. Oilfields

Could you tell me the present market on shares of New Brunswick Oilfields? Has the company been successful in recent years?

New Brunswick Oilfields shares are not traded regularly but we are informed that shares would probably trade on the basis of $1 a share bid, $2 a share asked.

This company is engaged in production for sale of natural gas and also produces, refines and distributes oil and oil products. The company has not been very active in drilling further wells; the only well drilled in 1951 was abandoned as a dry hole. Shell Oil drilled five test wells outside the company's Stoney Creek field a few years ago but did not secure oil and the agreement was terminated. Net profit for the year ended May 31, 1951, amounted to $58,426.

Investors Syndicate

Please give me some information on Investors Syndicate of Canada Ltd.

Investors Syndicate of Canada Ltd., Winnipeg, Man., is a wholly owned subsidiary of big U. S. company, Investors Diversified Services Inc. (the name adopted in 1949 by the former Investors Syndicate of Minneapolis, Minn., established in 1894). Investors Syndicate of Canada Ltd. was incorporated in Manitoba in 1940 to take over the Canadian business of the U. S. company which had been operating in Canada from 1926.

The Canadian company states that its affairs and activities are subject to inspection by the Municipal & Public Utility Board of Manitoba. The company is also registered with the Superintendent of Insurance of Ontario and of Saskatchewan, the Superintendent of Brokers of British Columbia, the Registrar of the Securities Act of Alberta and Quebec, and the Board of Commissioners of Public Utilities of New Brunswick.

A monthly statement is filed by the company with the government of each province in which it is licensed. In addition, an annual statement is filed with the Municipal & Public Utility Board in Manitoba which also has the right to inspect books of account, securities, cash, documents, etc., and to make such other inspections as it deems necessary.

In accordance with the act incorporating the company, it maintains cash and qualified investments, with an approved depository, Toronto General Trusts Corp. under a deposit agreement which provides that the assets deposited shall be equal to not less than 100% of the company's total cash surrender liability and shall be held as security for the performance of the obligation of the company to the owners of its investment certificates. The company is allowed to invest only in securities which qualify under the Canadian and British Insurance Companies Act.

The company has shown a marked increase in business in the last few years. Total assets are reported at $49,934,897 at Dec. 31, 1951, which is about $7.9 millions greater than their figure of $42,044,557 at Dec. 31, 1950. They amounted to $33,357,498 at Dec. 31, 1949; $24,545,774 at Dec. 31, 1948; $17,027,715 at Dec. 31, 1947 and $12,701,637 at Dec. 31, 1946. Liabilities for contract reserves were $45,110,747 at Dec. 31, 1951, $38,049,950 at Dec. 31, 1950; $30,241,207 at Dec. 31, 1949, $22,230,635, $16,241,949 and $11,547,973, respectively.

Of the total assets, the largest item is the first mortgages on real estate of $35,124,606 at Dec. 31, 1951. This item has shown a substantial increase in recent years having amounted to $19,247,742 at Dec. 31, 1949, and to $7,576,344 at Dec. 31, 1947. Investment in marketable securities totaled $11,788,449 at Dec. 31, 1951, as against $12,379,311 at Dec. 31, 1949. They had a market value of $11,583,788 at Dec. 31, 1951, and of $12,539,468 at Dec. 31, 1949. Cash on hand and in banks totaled $1,238,876 at Dec. 31, 1951.

A list of investments held at Dec. 31, 1951, indicates as follows:

Bonds	Book Value $
Dominion Govt.	864,517
Municipal	2,707,336
Pub. Utility, Indus. & other	6,008,556
Stocks	
Preferred	294,795
Canadian Banks	360,853
Common	1,552,393

In addition to the management of its own affairs, Investors Syndicate of Canada is also investment manager and distributor for Investors Mutual of Canada Ltd., an open-end investment fund, under an agreement entered into on Jan. 1, 1950.

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THE WEEK'S QUOTATIONS

Quotations here listed are the official stock exchange prices for listed stocks including curb market quotations. For unlisted stocks, quotations by unlisted dealers are given. The Financial Post cannot accept any responsibility for these quotations.

WEEK ENDING SEPTEMBER 5, 1952

Range 1952 High	Low	Div. R'te $	Y'ld Sept5 %	Company	Sales	Last Aug. 29	Week end. Sep. 5, 1952 H	L	Close
18¾	14	1.00	6.6	Abitibi	6039	15¼	15¼	15	15¼
25½	24½	1.50	5.9	Do. $1.50 pref	1465	25½	25½	25¼	25½
6½	5	.50	8.6	Acadia Atlan.	175	5½	5¾	5½	5¾
101	96	5.00	5.0	Do. 5% pref.	30	100½	100	100	100
18½	16½	1.20	6.5	Do. A pref.	45	18½	18½	18	18½
11¼	8½	.60	5.4	Agnew Surp.	865	10¾	11¼	10½	11¼
3.15	2.00	•	...	Albt. Dist.	1600	2.10	2.20	2.10	2.10
3.10	2.05	•	...	Do. V.T.	2200	2.15	2.10	2.05	2.10
56½	43		...	Algoma Steel	2025	51	51½	50½	50½
25	23	1.00	4.2	Alum of Can p	445	24½	24¾	24	24
125½	96	§▲3.00	..	Aluminium	1902	104	104¾	103½	104¾
18½	10	.40▲	...	Andian Nat.	250	11	11	10½	10½
40½	38	2.25	5.9	Ang Can Tel p	65	38	38	38	38
31½	25	2.00	8.0	Ang. Cdn. Pulp	200	25	25	25	25
13¾	10	.60	3.2	Ang. Nfld.	5702	10¼	10¾	10½	10¾
14½	11½	.60	4.6	Argus	1037	12¾	13	12½	13
87	78	4.50	5.6	Do. 4½% pref.	245	79	81	79	81
27	22	§.75	...	Asbestos	3429	25½	26	24	26
18¼	16½	§.75	...	Ashdown Hd B	75	18	17½	17½	17½
24	20	1.00	4.3	Atlas Steels	1310	22¾	23½	22¾	23
4½	2	§.20	...	Auto Fabric B.	100	2½	2½	2½	2½
21¾	20½	.80+**.20		Bk. Can. Nat.	955	21½	21½	21½	21½
31	26¾	1.00+**.20		Bk. Montreal	2284	31	31	30½	31
39½	35½	1.60	4.1	Bk. N. Scotia	1320	37¾	39	37½	39
41	37¾	1.40+§.20		Bk. Toronto	735	40	40	40	40
2½	1½		..	Barcelona	25	1½	1½	1½	1½
54	41	3.00+§.50		Bathurst Pr. A.	797	46	46	45	45
32	21	§1.25	..	Do. (B)	200	23	23	21	21
9½	7	§.35	...	Beatty Bros.	175	8½	9½	8¾	9½
39¾	34½	2.00	5.4	Bell Telephone	13829	37	37½	36¾	37½
7	5	.40	7.8	Biltmore Hats	25	5	5½	5½	5½
13½	10	1.00	9.6	Brazilian Tr.	15833	10¾	10¾	10½	10¾
15	12	.80	5.4	Br Am Bk N'ts	25	14	14¾	14½	14¾
26	20½	.50	2.4	Brit. Amer. Oil	9092	21	21½	21	21½
94	87	4.75	5.1	B.C. Elec 4¾%p	180	91	94	91½	94
8½	5	.40	6.9	B.C. Forest	2375	5½	6	5¾	5¾
20	13½	.75	5.0	B.C. Packers A	400	14	15	15	15
33½	30	1.60	5.1	B.C. Power A.	1051	31½	32	31½	31½
8	5½		...	Do. B	225	7	6¾	6½	6½
35	32	2.00	5.8	B.C. Tele.	330	35	34½	34½	34½
.51	.40		...	B.C. Turf	500	51	51	51	51
15½	9¾		...	Brown Co.	5356	10½	10½	10	10½
113	97½	▲5.00	..	Do. 1st pref	145	100½	100	99¾	100
51½	46½	▲3.00	..	Do. 2nd pref.	195	47	47½	47	47½
36¾	30½	1.80	5.0	Building Prod.	555	36½	36¾	36	36½
22½	18¾	1.00+§.50		Burlington St'l	100	20¾	20½	20½	20½
50	35	3.00	6.5	Burns & Co. A	28	44	46½	46½	46½
32½	24½	2.00	6.2	Do. (B)	88	30¾	30¾	28	30½
8½	7	.45	5.8	Burrard D.D. A	275	8	8	7	7½
4	2½	.10	2.6	Canada Bread	200	3¾	3¾	3½	3¾
79	64	**2.00	..	Canada Cement	1639	75	77	74½	76¾
28½	25	1.30	4.6	Do. pref.	905	28½	28½	28	28
7	5			Can. Cr. Stone	5	6½	6½	6½	6½
20½	17	1.00	5.1	C. & D. Sugar	1267	19½	19¾	19½	19½
8¾	7	.40	5.0	Can. Foils	325	8	8	8	8
25	19	1.20	5.3	Can. Iron	1015	22	22¾	22½	22½
75	68½	3.00	4.3	Can. Life	10	70	70	70	70
53¾	45	2.00+§.50		Can. Malting	30	51	51	50½	50½
12¾	9	.60	4.8	Can. Nor. Pr.	905	12½	12¾	12½	12½
35	32	1.50	4.3	Can. Packers A	255	34½	35	34½	35
30½	25½	1.50	5.2	Do. (B)	830	29	30	29	29
49	43¾	2.00	4.2	Can. Perman.	30	46	48	48	48
99	89¾	5.00	5.1	C. Safew 1 pf.	15	98	98½	98	98½
101	97½	5.00	5.1	Do. 2nd pf.	10	99	99	99	99
71	46	1.00	1.4	Can. Steamsh's	178	70	70	69	70
50	44	2.50	5.2	Do. pref.	489	48	48	47½	48
92	40	3.00	3.4	Can W Cable B	20	90	89½	89	89½
29½	23½	1.00+§.15		Can. Bk. Com.	1048	28¾	29½	28½	29½
20	15½	§1.25		Can. Breweries	3267	18½	18½	17¾	17¾
42	34½	1.25+**1.75		Can. Bronze	145	37	37¾	37½	37½
34	30	2.00	5.3	Can. Canners	660	31½	31	30½	30¾
17	11½	.80	5.7	Can. Car & F'y	1080	14½	14	14	14
17½	14¾	1.00	6.1	Do. pref. A.	255	17	17	16½	16½
49½	38	2.40	5.2	Can. Celanese	1430	46½	47	45½	46½
37	31¾	1.75	5.0	Do. pref.	300	34½	35½	35½	35½
16	14			Can. Chem. & C	2155	15½	15½	15¼	15½

Range 1952 High	Low	Div. R'te $	Y'ld Sept5 %	Company	Sales	Last Aug. 29	Week end. Sep. 5, 1952 H	L	Close
32¾	29¼	1.00+§.12½		Loblaw A	740	32¼	32¾	32¼	32¾
33	29	1.00+§.12½		Do. (B)	377	32¼	32¾	32	32½
29	23	▲1.00+§.25		Loblaw Inc.	155	28	27¾	27½	27½
3.50	2.60			Lon. Can. Inv.	20	3	3	3	3
15¼	12½	1.00	7.8	Lowneys	110	13	12¾	12½	12¾
55	45½	2.00+**1.00		Maclaren Pr.	205	49	50	49	49½
26	19	.50	2.6	MacMil. & Bl A	1000	19½	19½	19½	19½
28	17½	.50+§.30		Do. (B)	4275	19½	19¾	19½	19½
75	73¾	5.00	6.7	Mailman C pf.	105	75	75	75	75
17½	16	1.00	5.7	Do. C.C. pref	200	17½	17½	17½	17½
10	7¼	§.50		Maple Leaf M.	465	9½	9¾	9½	9½
89	80½	5.00	5.9	Do. pref.	175	89	86	85	85
16½	11	.80	6.2	Maritime Tele.	100	13	14½	14½	14½
40	30			Do. Rights	10229	34	36	34	36
13	10½	.60+**.25		Massey-Harris	12058	11¼	12	11½	11¾
16½	11½	1.00	6.5	McBrine, pref.	*25	15	15½	15½	15½
12½	10½	.60	5.0	McCabe A	50	12½	12	12	12
45½	34½	§.75		McColl Fron.	1108	37¼	37½	36¾	37
94½	80	4.00	4.5	Do. pref.	28	87½	89	89	89
3	2	•		Mercury Mills	100	2.40	2.30	2.30	2.30
4.65	2.25	•		Mexican Lt. c.	400	3.40	3.50	3.45	3.45
10¼	6			Do. pref.	1014	6¾	6½	6½	6½
1.80	1.50	§.07½		Milton Brick	1100	1.55	1.55	1.50	1.50
28½	22	▲2.00		Minn. & Ont. P	555	24½	25	24½	24½
40	29½	1.25	3.4	Mitchell, J. S.	8	35	37	37	37
35	29	1.00+§1.00		Mitchell, Robt.	110	34½	34½	34½	34½
15¾	14¾	§1.00+**.50		Mod. Contain	125	14¾	15	14¾	15
18	15	1.00	6.3	Do. (A)	225	16	16	15½	16
26	20	.80+§.40		Molson Brew A	1170	25	25	24½	25
25	20	.80+§.40		Do. (B)	125	24½	24½	24	24
17	14½	.80	5.0	Montreal Loco.	400	16	16	16	16
51½	45	§1.30		Mont. Tele.	14	45½	45	45	45
27½	22	▲.90+§.20		Moore Corp.	838	25	25½	24	24
24¾	22½	1.00	4.2	Do. 4% pref.	60	24½	24¾	24	24
98	94½	4.75	5.0	Morgan H 4¾%p	5	98	94½	94½	94½
100	92½	5.00	5.4	Do. 5%	5	99	92½	92½	92½
11½	8	.60	6.0	Mt. Royal Met.	50	10	10	10	10
11	7	.50	4.7	Nat. Drug	4285	10½	11	10¾	10¾
13	10	.60	4.7	Do. pref.	1011	12¾	13	12¾	12¾
15¼	13½	.60+§.40		Nat. Grocers	170	14¼	14¼	14¼	14¼
28	27½	1.50	5.4	Do. pref.	170	27¾	27¾	27¾	27¾
9½	7	§.51		Nat. Hosiery B	100	8	8¼	8¼	8¼
53½	49	2.40	4.7	N. Sew. Pipe	35	53	52	51	51
29½	24¼	1.50+**.50		Nat. Steel Car.	1860	27½	28	27	27¼
20½	18	1.00	5.6	Nfld. Lt. & Pr.	190	18¼	18	18	18
8	6¼			North Star Oil n	1304	7½	7¾	7½	7½
110	100	6.00	5.7	N.S. L. & Pr. p	10	105½	106	106	106
10	7			Oakville Wood	105	10	8½	8	8
37	23¾	1.00+§.50		Ogilvie Flour	1672	34½	35	34	34½
155	140½	7.00	4.8	Do. pref.	27	144	146	145	146
19	15½	.80	4.4	Ontario Steel	160	18	18	18	18
4.25	2.00	•		Orange Crush	8	3¾	3½	3½	3½
75½	64½	§2.50		Page Hersey	338	74	74½	72	74½
55	44	3.00	6.1	Penmans	7	50	49½	49½	49½
120	99	6.00	5.2	Do. pref.	20	110	115	115	115
24	9¾	.25	1.0	People's Cr Sec	385	23	24	21	24
29½	26	1.50+§.50		Photo Eng.	10	27½	29	29	29
29½	21	1.00	4.2	Powell River	2208	22¾	24	22¾	23¾
34½	29	§.80		Power Corp.	520	33	33¾	32	33¾
65	60	§2.00		Premier Trust	70	65	60½	60½	60½
33¾	26½	§2.00		Price Bros.	5505	31¼	32½	31¼	32½
14	11¾	.80+§.20		Prov Transport	485	12	12	12	12
19	16	1.00	5.4	Quebec Power	155	18¾	18¾	18¼	18¾
28	21½	2.00	7.4	River S Mill A	20	26¾	27	27	27
15	10	.80	6.4	Robinson Little	50	12½	12½	12½	12½
15¼	14½	1.00	6.7	Do. (A)	25	15	15	15	15
17	10	§.60		Rolland Pap.	50	11	11½	11½	11½
31½	27¾	1.00+**.20		Royal Bank	1246	31½	31¾	30¾	30¾
23½	19½	1.00	4.3	Russell Indust.	2395	23	23½	23	23½
98½	97	4.25	4.3	Saguenay Pr. p	101	98	98½	98½	98½
46	34	§1.50		St. Law. Corp.	450	35½	35½	35½	35½
118	103	7.00	5.9	St. Law Flour p	30	103	118	111	118
18	14	1.00	7.1	Sangamo	500	16¼	14	14	14
14¾	13	§.60		Sarnia Br.	100	14½	14½	14½	14½
47¾	37½	1.25+**.25		Shawinigan Pr	2684	42¼	43	42	43
45	40	2.00	4.5	Do. 4% pref.	80	44	44	44	44½
48½	45	2.25	4.6	Do. 4½% B pf	55	48½	48½	48½	48½

*On arrears. ▲U. S. funds. ▲▲Participating divd. •Dividend deferred. ♦After stock split. ▪Plus stk. divd. **Paid in 1951. §§1 share 3% pref. stock for each Class A or B. †Exclusive of extras. §Paid or payable in 1952.

Montreal and Toronto Winnipeg, Calgary and Vancouver

Range 1952 High	Low	Div. Rate $	Yield Sept. 5 %	Company	Sales	Last Aug. 29	Week Ending Sept. 5 High	Low	Close
.15½	.11	....	....	Crestaurum	4,000	.13	.12½	.12	.12
.48	.32	....	....	Croinor	2,500	.45	.45	.43	.43
.58	.30	....	....	Cron Bab	3,000	.37	.37	.36	.36
.26	.07½	....	....	Crowshore	30,300	.24	.23	.20½	.23
.17	.10	....	....	D'Aragon	2,300	.13	.12½	.12½	.12½
1.95	1.03	.04	2.5	Delnite	2,100	1.85	1.82	1.61	1.61
.36	.10	....	....	Detta Min.	33,200	.27	.26	.21	.22
23.00	16.75	....	....	Dome M.	2,998	22.00	21.75	20.37½	20.62½
5.50	2.60	....	....	Dom. Asb.	29,000	5.25	5.50	5.10	5.50
.65	.35½	....	....	Donalda	104,325	.56	.59	.51	.52½
.63	.10	....	....	Doreen	1,000	.16	.15	.15	.15
.97	.61	....	....	Duvex	17,825	.73	.75	.70	.70
.20½	.07½	....	....	East Amph.	7,000	.17	.17	.14½	.15
3.95	.80	**.03	....	East Mal.	50,150	3.55	3.60	3.25	3.35
1.58	.66	....	....	East Rim.	125,250	1.45	1.52	1.40	1.46
9.25	7.50	§.50	....	East Sull.	6,580	7.95	8.00	7.80	7.85
1.60	1.17	....	....	East. Met.	30,360	1.30	1.34	1.20	1.24
.72	.48	§.02	....	Elder	11,025	.64	.65	.62	.62
.49	.18	....	....	Eldona	70,200	.19	.20	.18	.18
.18	.11	....	....	El-Pen-Rey	3,633	.12	.12	.11	.11
.07	.05	....	....	El. Sol.	5,000	.06½	.07	.07	.07
1.65	1.00	....	....	Emerald	3,550	1.35	1.33	1.25	1.32
2.60	1.01	....	....	Estella	3,900	1.21	1.24	1.18	1.18
2.32	1.23	....	....	Eureka	18,972	1.53	1.53	1.44	1.46
19.00	11.25	.50	2.6	Fal'bridge	81,574	18.50	19.37½	18.37½	19.25
.53	.45	....	....	Do. Rts.	97,487	....	.53	.45	.53
.11	.04½	....	....	Federal	2,500	.08	.08	.08	.08
1.25	.62½	....	....	Fenimore	31,715	.90	.90	.84	.89
.40	.14	....	....	Do. Warr.	18,800	.27	.30	.26	.30
.10½	.03	....	....	Fontana '45	1,500	.07½	.08	.07	.08
8.50	3.80	....	....	Frobisher	21,827	7.55	7.60	7.45	7.60
2.21	.30	....	....	Do. Warr.	5,220	1.55	1.65	1.50	1.50
.28½	.12	....	....	Gen. Lake	28,250	.20½	.22	.20½	.21
1.10	.85	....	....	Giant Mas.	5,600	.93	.93	.93	.93
13.00	9.25	....	....	Giant Y'fe.	4,230	9.90	9.90	9.25	9.50
.15	.07½	....	....	Gillies L.	1,000	.08½	.08½	.08½	.08½
.05½	.02½	....	....	Glenora	1,000	.03½	.02¾	.02¾	.02¾
.59	.36	**.02	....	God's Lake	10,800	.55	.57	.53	.54
.31	.15½	....	....	Goldale	3,000	.28	.27	.25½	.25½
.22	.07½	....	....	Gold Crest	131,429	.18	.20	.17	.20
.18	.06½	....	....	Gold Eagle	3,500	.10	.09¾	.08	.08½
.06½	.03½	....	....	Goldhawk	1,000	.04½	.04½	.04½	.04½
.23½	.10	....	....	Golden A.	1,500	.10½	.10½	.10	.10
7.20	5.60	....	....	Gold Man.	4,605	6.15	6.20	5.95	6.00
.06½	.04	....	....	Goldora	8,000	.04	.05	.04¾	.04¾
.05½	.03½	....	....	Goodfish	1,500	.04	.03½	.03½	.03½
.80	.40	....	....	Graham B.	22,400	.55	.57	.55	.55
.40	.21	....	....	Grandines	3,700	.21	.25	.24	.24
.54	.09½	....	....	Guayana	196,345	.37	.54	.36	.46
.17½	.09½	....	....	Gulf Lead	3,500	.10	.11	.10	.11
1.55	.23	....	....	Gunnar G.	158,775	1.34	1.55	1.37	1.40
.15	.06½	....	....	Halcrow	40,300	.11½	.12	.10	.10
.03½	.01½	....	....	Halliwell G.	1,500	.02½	.02½	.02½	.02½
3.50	2.65	.24	7.5	Hallnor	500	3.30	3.25	3.10	3.20
.16	.11	....	....	Hard Rock	17,500	.13	.12½	.11½	.11½
.21	.09	....	....	Harricana	15,000	.09½	.10	.09	.09½
.31	.16	....	....	Harr Hibb.	1,500	.21	.22	.21	.22
.31	.14	....	....	Hasaga	5,000	.17	.16	.14	.14
.71	.13½	....	....	H'd of L'ks	10,200	.16	.17	.13½	.15
.15	.07	....	....	Headway	7,500	.07½	.10	.08¾	.09
.32½	.06½	....	....	Heath	179,700	.29	.32½	.28½	.31½
3.20	1.95	....	....	Hellens M.	300	2.03	2.00	1.95	1.95
.15	.07½	....	....	Heva G. M.	12,800	.08½	.09	.07½	.08½
.85	.57	....	....	High Bell	5,700	.60	.63	.59	.63
.06	.03½	....	....	Highridge	3,000	.04	.03¾	.03½	.03½
17.50	13.00	§.18	....	Hollinger	4,752	17.00	17.00	16.00	16.50
.24	.09	....	....	Homer Y'fe	14,100	.13½	.12	.11	.12
.07	.04	....	....	Hosco	2,000	.05½	.05½	.05	.05
4.00	1.60	....	....	Hoyle	6,175	3.40	3.60	3.25	3.40
64.87½	51.50	4.00+**1.00	....	Hudson Bay	5,533	59.50	61.00	59.25	60.75
.33	.13	....	....	Hudson R.	762	.19	.18	.18	.18
.60	.20½	....	....	Hugh Pam.	49,575	.54	.55	.50	.51

Range 1952 High	Low	Div. Rate $	Yield Sept. 5 %	Company	Sales	Last Aug. 29	Week Ending Sept. 5 High	Low	Close
2.85	2.25	.14	6.2	San Ant'o	1,266	2.45	2.40	2.25	2.25
.22	.14	....	....	Senator R.	3,500	.15	.15	.15	.15
1.85	1.40	§.12	....	Sheep Cr.	2,300	1.45	1.48	1.45	1.45
5.80	4.00	....	....	Sherritt G.	29,354	5.40	5.50	5.30	5.40
8.50	6.75	§.55	....	Sigma Mines	1,500	8.40	8.40	8.20	8.20
.60	.32	....	....	Silanco	13,500	.40	.41	.39	.39
.68	.20	....	....	Silbak Prem.	950	.46	.45	.44	.44
1.45	.97	....	....	Silvan	400	.99	.99	.98	.98
2.27	1.35	§.20	....	Silver M.	500,535	1.74	1.82	1.36	1.51
2.60	1.85	§.10† .02+stk.	....	Silver Stand	1,650	2.00	1.90	1.85	1.90
.74½	.48	....	....	Siscoe	11,450	.64	.63	.61	.61
.13	.01	....	....	Soma Duv.	91,020	.09½	.13	.09½	.13
.17	.05	....	....	Spud Valley	3,000	.07	.07	.07	.07
.17	.07	....	....	Standard G.	21,110	.14	.17	.15	.16½
.55½	.25	....	....	Starrat O.	3,000	.38	.38	.35	.35
8.00	6.00	....	....	Steep Rock	14,720	6.80	6.80	6.50	6.50
.22	.13½	....	....	Sturgeon R.	1,500	.18½	.22	.19	.19
.22	.10	....	....	Sudbury C.	11,500	.14½	.14	.13½	.13½
3.55	2.95	§.20	....	Sullivan C.	4,635	3.00	3.05	2.96	2.97
.14	.06	....	....	Surf. Inlet	6,500	.07½	.07½	.07	.07½
1.60	1.18	.08	5.9	Sylvanite	13,600	1.46	1.45	1.35	1.35
.65	.28	....	....	Tache Lake	3,000	.30	.30	.28	.28
.11½	.08	....	....	Taku	1,000	.09½	.09	.09	.09
2.85	2.20	.15	6.1	T. Hughes	6,225	2.48	2.52	2.35	2.45
.22½	.10	....	....	Thompson	11,000	.11½	.13½	.11½	.13½
.63	.28	....	....	Toburn Gold	9,570	.36	.36	.35	.36
.69	.31	....	....	Tombill	4,100	.35	.35	.33	.33
2.30	1.70	....	....	Torbritt S.	2,200	2.00	2.00	1.90	1.91
.67	.46	....	....	Trans. Res.	1,200	.46½	.50	.48	.48
.19½	.10	....	....	Trebor	2,000	.13	.14	.13	.13
1.13	.17½	....	....	Tungsten	21,085	.25	.25	.22	.22
.46	.12½	....	....	Union Min.	8,000	.25	.26	.23	.23½
4.75	2.75	....	....	United Asb.	26,600	3.60	3.90	3.40	3.50
14.12½	10.12½	....	....	United Keno	3,570	13.25	13.12½	12.50	13.12½
.98	.55	....	....	Un'd L & Z	11,500	.65	.69	.63	.63
2.10	1.16	§.02½	....	Upper Can.	15,614	1.83	1.80	1.66	1.70
.79	.09	....	....	Van Roi	10,000	.09½	.10	.09½	.09½
24.00	11.25	§.30	....	Ventures	7,893	23.00	23.50	22.87½	23.50
.10	.07½	....	....	Vicour	1,000	.08½	.08	.08	.08
.11	.04½	....	....	Villbona	6,000	.05½	.06½	.05½	.05½
1.60	.63	....	....	Violamac	14,200	1.50	1.54	1.42	1.50
15.00	11.62½	§1.05	....	Waite Am.	2,765	14.25	14.50	14.25	14.25
.80	.51	....	....	Weedon Pyr	40,300	.63	.66½	.60	.62
.11	.06	....	....	Wekusko	1,500	.08½	.08½	.08	.08
.50	.30	....	....	Wendell	10,500	.35	.33	.32	.32
.75	.33	....	....	W. Ashley	50,425	.50	.57	.50	.55
.08	.05	....	....	West Mal.	3,500	.05½	.06	.05½	.05½
5.25	[illegible]	....	....	West Uran	10,650	4.90	4.90	4.70	4.80
.04½	.03	....	....	Westville	500	.03	.03½	.03½	.03½
.14½	.09	....	....	Wiltsey C.	4,500	.10	.10	.09½	.10
.08½	.05½	....	....	Winchester	7,000	.06½	.06½	.05½	.05½
.48	.25	....	....	Windw'd	7,000	.34	.33	.29	.29
.07	.03½	....	....	Wingait	3,000	.05	.05½	.05½	.05½
.10¾	.04½	....	....	Winora	4,000	.07	.07	.06	.06½
3.10	1.52	.12	5.4	Wright-Har	3,356	2.25	2.25	2.18	2.20
.84	.42	....	....	Yale Lead.	2,000	.48	.44	.42	....
.14	.10	....	....	Yellorex	1,200	.10	.10	.10	.10
2.24	1.50	....	....	Y'ke Bear	7,320	1.66	1.68	1.58	1.60
1.44	.70	....	....	Yukeno	16,484	.82	.89	.80	.83
.80	.50	**.10	....	Yukon Cons.	12,200	.59	.62	.58	.60
1.25	.96	....	....	Zenmac	16,300	1.11	1.11	1.00	1.00

Oil Stocks

Range 1952 High	Low	Div. Rate $	Yield Sept. 5 %	Company	Sales	Last Aug. 29	Week Ending Sept. 5 High	Low	Close
.69	.12	....	....	Ac. G & O.	4,500	.28	.27	.25	.26
2.00	1.42	....	....	Ajax	20,500	1.65	1.70	1.60	1.69
3.70	2.55	....	....	Albermont	26,060	3.40	3.45	3.30	3.35
.67	.35	....	....	Alta P Cons	2,800	.45	.46	.42	.46
.93	.50	....	....	Altex	5,200	.65	.66	.64	.65
1.10	.25	....	....	Amalg.	1,000	.50	.50	.49	.49
1.19	.60	....	....	Amer Led.	7,100	.65	.70	.66	.66
.29	.13½	....	....	Anaconda	1,000	.15	.15½	.15½	.15½
.33	.16	....	....	Anchor	1,000	.16	.18	.18	.18
9.60	7.60	§.15	....	Anglo Can.	5,863	8.25	8.50	8.15	8.30
.12	.05	....	....	Apex	5,800	.06½	.07	.07	.07

High	Low	Div. Rate $	Yield Sept. 5 %	Company	Sales	Last Aug. 29	Week Ending Sept. 5 High	Low	Close
6.85	3.95	§.05	....	Tower Pet.	301,000	.54	.60	....	.60
1.70	1.13	....	....	Trans.Emp.	14,100	3.95	4.25	3.95	4.25
.45	.14	....	....	Trans. Era.	23,600	1.61	1.62	1.51	1.58
.83	.42	....	....	Trans Field	11,500	.19½	.19	.18	.18
3.35	2.40	....	....	Trend Pet.	43,100	.52	.60	.53	.58
.87	.80½	....	....	Triad Oil	49,850	2.85	2.99	2.85	2.96
1.75	.80	....	....	Tri Tor	3,200	.82	.86	.82	.82
3.00	1.00	....	....	Turner Val.	400	1.15	1.15	1.15	1.15
.70	.38	....	....	United Oils	25,250	2.20	2.30	2.10	2.30
1.25	.60	....	....	Vanalta	1,500	.44	.40	.38	.38
.80½	.30	....	....	Vulcan	2,000	.65	.68	.60	.68
.25	.10	....	....	Wagner	66,300	.56	.60	.41	.45
1.09	1.00	....	....	Warner	11,500	.15	.15	.14½	.15
.78	.45	....	....	W'Burne	10,600	1.00	1.00	1.00	1.00
2.88	1.70	....	....	W. Ashley	4,500	.50	.56	.55	.55
9.80	7.00	....	....	W. H'Stead	50,678	1.87	2.14	1.88	2.05
2.10	1.00	....	....	W. L'Holds	200	7.60	7.35	7.35	7.35
2.05	.80	....	....	W. Potash	6,005	2.07	2.10	2.05	2.10
.42	.20	....	....	Wilrich	30,250	1.52	1.62	1.50	1.58
1.80	1.03	....	....	Y'ke Can.	23,600	.28	.32	.28	.32
.57	.40	....	....	Y'ke Prin.	2,900	1.15	1.20	1.15	1.15
....	....	....	....	York Oils	7,900	.48	.50	.48	.48

*U.S. Funds. § Paid or payable in 1952. ** Paid in 1951.

Volume of Stock Sales

	Montreal	Toronto	Calgary	Vancouver	New York
Sept. 8 ..	210,700	2,474,000	230,224	......	1,480,000
Sept. 6 ..	......	......	......	......	......
Sept. 5 ..	411,000	2,122,000	236,050	117,564	1,740,000
Sept. 4 ..	317,700	2,579,000	297,501	104,333	1,590,000
Sept. 3 ..	252,300	2,082,000	277,863	164,583	1,650,000
Sept. 2 ..	198,000	1,995,000	305,876	95,730	1,300,000

STOCKS NOT TRADED THIS WEEK

Company	Div. Rate $	Last sale	Sept. 3 Bid	Ask
Acme Glove	1.00	6½	6	..
Admiral Corp.	..	25¾	26½	27½
Alta. Cons. Gas	•	3.50	3.30	3.50
Amalg. Electric	.60	16	15½	16
Ashdown Hdwre. A	.60	12	13	..
Assoc. T. & T. A		89½	..	..
Do. pref.	▲6.00+4.50§	150	131	..
Auto Electric	.50+**.10	7½	7½	..
Do. A	.50+**.10	6½	..	8
Auto Fabric A	.60	4.50	5.00	6.00
Bates & Innes	1.00	11½	9	11½
Beaver Lumber	2.00	45	43½	50
Do. A	1.00	18	18	18¾
Do. pref.	1.40	27	27½	28½
Belding Cort.	.60+§.10	12	12	16
Do. pref.	.70	14	10	16
Belgium Stores	•	5¼	5¼	..
Do. pref.	1.00	14	14	13¾
Bickle-Seag.	.10	1.75	1.75	2.10
Biltmore Hats A	1.00	13	13	14½
Bird Constr.	2.00+**.50	35	34	36
Blue Ribbon	..	22½	..	15
Do. pref.	2.50	43	43	44
Blue Top Br. B	..	20¾	20½	..
Bowes Co. (1950)	..	12	10½	12
Brant. Cord. A	1.00	16½	16½	16½
Do. B	..	12	11	16
Brant. Roof. A	1.00	13½	13	15
Do. B	.40	8	7¼	9
Brazilian Tr. pref.	6.00	125	100	115
Bright, T.G.	**1.00+stk.	7	8	9½
Do. pref.	1.15	15¼	16½	17½
B. C. Elec. 4% pf.	4.00	78¾	78½	..
B. C. Packers B	.75	12	12	14
Bruck Mills A	1.20	18½	18½	19
Do. B	.60	8½	8½	8½
Burnett Ltd.	..	4.50	..	4.25
Butterfly Hose.	§.20	5¼	6	8
Caldwell Linen	.80	15	15¼	15¼
Do. 1st pref.	1.50	30½	..	27
Do. 2nd pref.	.80	16¾	..	18¼
Can. Bread pf. B	2.50	49	49	49¾
Can. Floor. B	1.00+§.10	14	..	14
Can. Foils A	.60+§.51	15	15	16
Can. Forg. A	1.50+**.52	32	33	..
Do. B	1.50+**1.50	112	90	..
Can. Machine	.50	7	7	7½
Can. Starch	§.50	35½	..	35
C. Varnish 5% pf.	1.25	15	14½	17
Can. Vinegars	.80+**.20	14½	14½	15
Can. Wire Cable A	4.00	180	173	..
Can. Bakeries	§.25	12	10½	12
Can. Bronze pref.	5.00	102	101½	..
Can. Cel. $1 pref.	1.00	20	20	20½
Can. Convert. A	•	6	5	7
Do. B	•	5	6½	9
Can. Cottons	2.80+§.50	58	56	61
Do. pref.	1.20	24	24½	26
Can. Fairb. pref.	6.00	120	117	121½
Can. Fire	.80	22	20	..
Can. Food Prods. pref.	4.50	56	54¾	56
Can. G. Elec.	8.00+§4.00	393	411	..
Can. G. Sec. A	§stk.	80	74	..
Do. B	§stk.	28	70	..
Can. Ice Mach.	§.20	4½	4½	6
Can. Locomo.	•	23	22½	..
Can. Oil 8% pref.	8.00	138	140	151
Can. Wallpaper A	§.40	11	8½	11
Capital Estates	§.40▲	18	..	..
Cassidy's	.80	9½	8	..
Do. pref.	7.00	100	95	..
Catelli Food A	.50+§.15	14	14	..
Do. B	1.00+§.15	19	19	23
Celtic Knit.	1.00+**.50	16	..	16
Cent. Can. Invest.	§.20	9	8½	..
Do. pref.	5.00	100	100	..
Cent. Nor. Air. A	**.25+.25	5	..	6½
Do. B	**.50	1.15	..	3.00
Chart. Trust	1.00	28	26	27½
Ch.-Gai Wines	§1.00	11	11	11½
Cinzano A	4½d	1.00	.75	..
Do. 5½% pref.	5½%	2½	..	..
Circle Bar Knit. A	1.00	10½	10¾	14
Claude Neon A	..	2.30	2.30	..
Do. B	..	1.75	1.80	1.85
Cochrane-Dun. A	..	19	19	21
Do. pref.	1.20	25	25	25½
Coll. Terminal	§.50+.25	12	10¾	..
Do. pref.	§.50+.25	12½	10¾	..
Com. Enter. pref.	5.00	77	75	..
Cons. Life 90% pd.	15.00	385	425	460
Conger Lehigh	..	11	..	11
Cons. Fire Co.	§.25	4.15	..	..
Cons. Press B	..	1.75	1.75	2.75
Cons. Textile pref.	1.00	19	18½	21
Corbys B	§.15	9	..	10
Corr. P. Box	.50	7½	7	7½
Do. 5% pref.	5.00	98	95	101
Cosmos Imp.	§.17½	13	13	13½
Crain, R. L.	.60	13½	10½	14
Cres. Cream. pref.	§5.00	60	..	85
Crown Cork	2.00	34	33½	34
Crown Trust	5.00	107	107	115
Crow's N. Coal	4.00	75	74¾	76½
David. & Fr. B	§1.00	52	50	..
Disher Steel	1.00	29	29	..
Dom. Ang. I.	§8.00+7.00	200	210	..
Do. pref.	5.00	100	..	..
Dom. Corset	.80	10¾	10¾	11¾
Dom. Dairies	..	6½	6½	8
Do. pref.	•	13	13	14¾
Dom. Electro.	•	3.00	2.80	3.00
Dom. Fabrics	.80	14	14	15
Do. 2nd pref.	1.50	25	..	27½
Dom. Fire	.600+§1.00	147	147	..
Dom. Malting	1.00	25	25	25
Do. pref.	5.00	100	99½	..
Dom. Square	4.00	62	60	70
Dom. Struct. Stl.	.40	28	27	28
Dom. Textile pref.	7.00	140	140	..
Donnell & Mudge	..	2.00	1.00	..
Do. A	•	4.75	4.75	5.75
East Koot. Pr. pf.	..	.80	.60	.85
East. Theat.	§1.50	22½	..	22
Easy Washing	.20+§.05	4.35	4.35	5.75
Elora Indust.	..	.10	.20	.40
Do. pref.	..	5	6	8
Empire Life	..	17	17½	17½
Enam. & Heat.	.40	8½	8	10
Erie Floor & Wood A	.60	7½	..	7½
Do. B	**.50	4	3	4
Esmond Mills	1.00	17	17	..
Federal Fire	2.00+**.25	49	48	..
Fibre Products	•	7	7½	8
Do. pref.	.50	7	6½	8
Fisher & Burpe A	.80	12	11½	..
Do. B rights	..	4.60	3.25	..
Fittings	..	8	8	10
Do. A	.60	11½	11½	12¾
Flash Fast. pref.	1.00	15	14¾	16
Ford Motor B	2.00+§1.00	55	58	..
For. Pr. Secs.	..	.65	.40	..
Freiman	.50+§.25	12	12	..
Do. pref.	4.50	85	..	89
Gat. Pwr. 5½% pf.	5.50	106	104¾	..
Gen. Products B	§§stk.	42	41½	..
Goodyear Tire pf.	2.00	48½	48½	49
Gord. Belyea	§2.00	77	..	..
Gord. Mackay B	1.00	12½	11	12
Gould Pumps	▲1.00	65	..	..
Grafton & Co. A	1.00	16½	16½	17½
Grand & Toy	.40	19	16	25
Great West Coal B	.50	10½	9¾	10½
Great West Felt	..	3½	..	3¾
Do. pref.	.50	5½	5½	5½
Great-West Life	20.00	560	580	..
Gt. West Saddlery	§1.00	26	24	26½
Green'g Wire	.20+§.05	4.50	4.75	5.00
Growers Wine	..	1.80	..	..
Gurney Prod. pf.	1.60	24	23½	24
Hahn Brass	§.75	14	14	14
Do. pref.	.80	14	13½	15
Hamilton Cot.	§1.05	22	..	22
Do. 5% pref.	5.00	98	96½	98
Hartz, J. F.	.50	8	7¾	8
Hendershot Pap.	1.00	12½	12¾	..
Do. pref.	5.00	70	65	70
Hillcrest Coll.	..	.20	.35	..
Holden Mfg. A	.60+§.10	7½	6½	7½
Do. B	§.20	3½	..	3¾
Holt Renfrew	..	35	..	..
Do. pref.	..	125	..	159
Horner, F. W.	.50▪	10	10	..
Ho. De La Salle	..	15	15	..
Hubbard Felt	..	4.00	..	2.95
Do. A pref.	§.75	8	8	..
Humbertone S.	**1.25	14	12½	14
Hunts A	§.45	7	6	10
Do. B	§.45	9	6	..
Imp. Varnish	1.00+**.50	19	17	20½
Do. pref.	1.50	31	..	..
Inter-City Bak.	.80+§.10	14	13½	14
Inter'c. Coal pref.	8.00	105	100	105
Int. Milling pref.	▲4.00	88	86	95
Int. Nickel pref.	7.00	128	127	130
Do. $5 pref.	..	6¼	6¼	..
Int. Paints	..	8½	8½	10
Do. pref.	1.20	25	23½	..
Int. Pap. pref.	▲4.00	109	..	..
Int. Power	2.40	69	68	70
Invest. Found	§1.50+.25	29	..	30
Jam. Pub. Ser. pf.	7.00	100	98½	..
Johns-Manville	§2.25▲	72½	72	75
Kelvinator	1.00+**.25	15	14¾	15
La Comp. Fon.	..	46	45	..
Lake of the Woods pref.	7.00	136	136½	142
Lambert, Alf. pf. A	.60	11	..	11
Do. B	.60	10	10	..
Lang, J. A.	1.00	11½	..	10
Langley's	..	1.00	1.00	1.50
Do. pref.	•	60	60	75
Lawson & Jones B	§stk.	11½	11½	12½
Legare pref.	§2.00	18	15	..
Lindsay, C. W.	..	10	..	10
Do. pref.	**4.00	100	75	100
Loew's Th.	4.00+**1.00	75	70	..
London Hose.	**.15	1¾	1¾	2¾
Do. A	.80	6¾	6¾	..
Mackin Steel	..	26½	35	..
Do. pref.	5.00	92	..	..
Mailman Corp.	**.25	14	17½	..
Man. Sugar pref.	6.00	102	100¾	..
M. L. Gardens	1.00	12½	13	..
Maritimes Tele. pf.	.70	14	..	..
Maxwell Ltd.	§.25	6½	..	..
McCabe Grain A	.40+§.15	11½	..	..
Melchers	..	4½	4½	..
Do. pref.	.80+*.10	10½	10½	..
Mersey Paper	§1.00	90	86	..
Mexican Tram.	..	2.90	2.90	..
Mica of Can.	.10	1.40	1.40	1.60
Mid. Pac. Gr.	§.04	10½	10½	11
Monarch Knit.	1.00	17	16	17
Do. 4½% pref.	4.50	91½	84	..
Mon. Life 40% pd.	12%	145	140	..
Monarch Mtge.	§1.00	22	22	..
Mont. Is. Pr.	..	10	..	..
Mont. Refrig. & S.	§.75	23	..	2.50
Moore Corp. pf. A	▲7.00	288	..	..
Do. pref. B	▲7.00	562	..	..
Morrison Brass	..	7¾	8½	..
Mt. Royal Metal	.60	10	10	..
Mt. Royal Rice	§.60	11	10	..
Nat. Hosiery A	.20	7	7	..
Nat. Trust	1.00+**.20	25½	25½	..
Neon Pr. of W. C.	.80	15½	14½	..
Niag. W. Weav.	1.50+§1.50	33½	33½	..
North Can. Mtge.	§1.50	34	32	..
Nor. Trusts	.80	34	..	..
N. S. L. & Pr.	1.00	20½	20½	..
Nuclear Ent.	**5.00	2¾	2¾	..
Office Spec.	1.30+.10	10	9½	11
Ont. Beauty Sup.	..	50	25	70
Do. pref.	•	5	4½	8½
Ont. Loan	5.00	111	..	111
Ont. Steel pref.	7.00	128	128	146
Pacific Coyle		75	70	86
Paton Mfg.	.80+**.30	15	11½	..
Do. pref.	1.40	22	20¾	..
Paul S. S.	•	12	10¾	11¾
Pitt Plate Glass	..	48½	..	..
Power Corp. pf.	6.00	110	105	111
Do. 2nd pref.	3.00	55	55	..
Pressed Metals	▲1.00+**stk.	12	..	..
Price Bros. pref.	4.00	91	91	100
Purity Flour	..	8	8	..
Quebec Tele.	..	5	5½	7½
Do. A	.17	16½	16½	..
Quinte Milk A	.60+§.10	8½	8½	..
Do. B	§.10	3	..	..
R&M Bear A	1.10+**.10	20	..	20
Reitman's	1.00	24¾	24	26
Do. 5% pref.	1.00	19½	19½	21
Reliance Grain	..	.60	.30	..
Renfrew Textile A	•	5	3	4½
Renold-Cov. A	1.10+§.05	19	..	..
Rivers. Mill B	§.50	10	10	15
Robertson, P. L.	2.00	50	49½	50
Do. 5% pref.	2.00	41	40½	..
Robinson Cot.	**.10+stk	5	4	4½
Do. pref.	..	3.30	2.75	3.00
Rolland Pap. pref.	4.25	70	..	85
Royal Oak Dairy	.60	10	9½	10
St. Law. Flour	•	34¾	..	34¾
Scarfe & Co. A	.80	12½	12	12½
Do. B	.40	7½	7½	..
Scythes & Co.	§1.05+.40	22½	24	25
Do. pref.	1.25	25	24½	..
Sheraton Ltd.	..	22	..	25
Sher.-Wms. pref.	7.00	135	130½	140
Shirriff't pref.	1.00	20	19	20
Sick's Brew.	1.20+**.15	18½	18¾	19½
Sidney Roof.	.90	17¾	..	..
Silknit	1.00+**.40	19¾	18	24
Do. pref.	2.00	35	34	40
Simon & Sons	•	10	10	11
Do. pref.	5.00	91	..	93
Slater, N.	1.80	36½	36½	37½
Do. pref.	2.12	45	41½	46
So. Can. Pr. pref.	6.00+▲▲.40	114½	114½	..
Sov. Life 25% pd.	7%	62	62	65
Standard Brands	1.60	23½	..	36
Stand. Clay	..	9¼	8½	..
Stanley Brock A	.60	6¾	6½	6½
Do. B	.40	5½	..	5
Stedman Bros.	.80	16	16½	17
Stovel Press pref.	..	3.50	2.80	3.00
Stowell A pref.	1.50	20	20	..
Do. B	..	10½	10½	..
Stuart, D. A. pref.	.80+§.60	17½	17	20
Sun Publishing	§1.20	19½	..	..
Sup. Pete. com	§.40+.10	15½	15	..
Tamblyn	1.00+§.70	33	33	..
Do. pref.	2.00	41	41½	50½
Taylor, Pearson 5% pref.	.50	10½	11	..
Theatre Props.	..	7	6½	7
Tip Top Can. A	.50	6	6	8¾
Tip Top Tailors	.60	18½	18½	19½
Tooke Bros.	•	4	4	..
Tor. Iron	.80+.20	18½	15½	17
Tor. Mtge.	5.00+§.50	100	99	115½
Traders Bldg.	1.20+§.30	23	22½	..
Traders Fin. B	2.00	39½	39½	42
Do. 4½% pref.	4.50	85	89½	93
Do. A rights	1.00	16½	16½	..
Do. B rights	1.00	16½	16½	..
Tuckett Tob. P.	7.00	133	130	..
Un. Amuse. A	.50+**.10	11	10	..
Do. B	.50+**.10	8½	8	10
Do. A V.T.	.50+**.10	10	10	..
Un. Can. Shs.	..	10½	10½	..
United Distill.	1.00	20	..	26
Viau Ltd.	2.00+*.50	52	..	..
Viceroy new	..	..	13½	13½
Victoria & Gr.	.80	18	18	18½
Vir. Dare 5% pref.	1.25	16½	15½	16¾
Waterous Ltd. A	.80	11	11	11½
Watson, Jack	.80	12	11¾	12½
Wellington Fire	3.50	76¾	..	..
Wesley Mason M.	5.50	79¾	..	80
West. Grain	..	.85	..	..
Do. pref.	..	.60	..	..
West. Grocers	§1.00	46½	46	..
Do. pref.	1.40	28¾	28½	34
West Koot. pref.	7.00	174	..	..
W'minster Pap. A	.50	10½	10½	10¾
Do. B	.50+§.05	9¾	9¾	..
Willson Stat.	..	29	21	29
Wilsil	1.20	18	17½	..
Wilson, J. C.	.52½	10	8½	..
Windsor Hotel	..	22	22½	..
Wood Alexander	..	5½	4½	5½
Wood, G. H.	5.50	99	98	99
Woods Mfg.	§stk.	35	..	..
Wool Combing	..	12½	11	12
York Knit. B	..	1.50	1.50	1.75

*On arrears. U. S. funds. •Divd. deferred. **Paid in 1951. §Paid or payable in 1952. §§1 share 3% pref. stock for each class A or B. ▲▲Participating divd. ▪Plus stk. divd.

Mining Stocks

Company	Div.	Last sale	Bid	Ask
Alta.	...	.04½	.08	
Arno	...	.02½	.02	.03
Atlas Y'knife	...	.12	.10½	.14
Band Ore	...	.03½	.04	.04½
Barvallee	...	.19	..	.19
Beatrice	...	.04½	.04½	.05
Bouzan	...	.04½	.04½	.04¾
Bruce Cons.	...	.01	.01½	.02¾
Bunker Hill	...	.07	.07	.09½
Canusa	...	.05½	.05	.06
Castle Treth.	§.10	2.70	2.62	2.95
Cent. Manitoba	...	.15	..	.16
Coniagas	...	1.53	1.55	1.60
Cons. Que. G.	...	1.09	1.00	1.10
Cryderman	...	.01½	.01½	.01¾
Dickstone C.	...	.05½	.04	..
Eureka warr.	...	.60	.57	.68
Flin Flon	...	.01	.01	.02
Forty-Four	...	.85	1.00	1.10
Francoeur	...	.09	.08	.08¾
Gillies Lake	...	.08½	.07¾	.08¾
Golconda	...	.21	.21	..
Gold Lake	...	.01	.01	.02
Grandoro	§.02	.32	.33	..
Grandview	...	.35	.35	..
Great Falls	...	.08	..	.07
Gwillim L.	...	.03½	.03½	.04½
Hamil	...	.17	..	..
Island Lake	...	.01	..	.01½
Island Mtn.	§.25+.25	.45	.46	..
Jack Lake	...	.03	.03	.04
Kerr Lake	*§.05	.45	.30	.50
Lafayette Asb.	...	.75	..	..
Lapaska	...	.04½	.04½	.04½
Maralgo	...	.05½	.05	.05¾
McLellan	...	.04¾	.04	.04¾
McWatters	...	.07	.07	.09
Mentor Explor.	...	3.80	3.75	..
Mindamar V.T.	...	5.00	4.50	5.00
N. Formaque	...	.13½	.13½	.14
N. Marlon	...	.05½	.05½	.05¾
Newnorth	...	.03½	.03¾	.04¾
Nib Y'knife	...	.05	.04½	.05½
Nor-Acme	§.01½	1.00	.98	1.05
Norgold	...	.04	.04	.05
Normandy	...	.02	.01½	.02
Orenada	...	.08	.07½	.09
Packsack	...	.02½	.01	.01½
Paramaque	...	.02½	.01	.01½
Powell Rouyn	...	.73	.80	.85
Purdy Mica	...	.08	.08	.12
Red Crest	...	.04½	.03	.04½
Rice Lake	...	.01	.01½	.01¾
Ryanor	...	.09	.08	.09
Sand River	...	.04	.04	.04¾
Scotia Gold	...	.01	.01	.02
Shawkey	...	.10	.10	.11
Silver Ridge	...	.29	..	.30
S. Amer. G.	**.25+.05	1.10	..	..
Sta's '44	.03	.33	.34	.37
Star Lake	...	.01	.00½	.01
Steeloy	...	.04½	.04¾	.04¾
Taylor B.	...	.30	.25	.32
Tiblemont	...	.07	.07	.12
Towagmac	...	.11	.06½	.11½
Utica	...	.03	.02	.03
Vananda '48	...	.02	.02	.02½
Vinray	...	.02½	.02½	.04
Wellington	...	.02½	.01½	.02½
West Ex.	...	.95	.86	1.00
Winnipeg R. Tin	...	.01½	.01½	.02½

—OIL STOCKS—

Company	Div.	Last sale	Bid	Ask
C. Oil Lands warr.	...	2.10	..	..
Candn. Prospect	...	6.75	6.00	7.25
Coastal	...	1.30	1.30	..
Commoil	§.25	4.90	..	5.25
McIvor Drill	§.50+.50	14.75	14.50	14.75
So. West Pete.	...	.46	.45	.50
Van Tor	...	.54	..	..

†U. S. funds. §Paid or payable in 1952. *Paid in 1951.

Commodities

	Latest week	Previous week	Same week last yr.
Cattle	$24.53	$25.41	$33.67
Hogs	25.60	25.60	35.85
Copper, lb.	.24½	.24½	.24½
Sugar, raw, lb.	.0502	.0595	.0550
Coffee, lb.	.54½	.54⅜	.53¼
Hides	.18	.18	.36
Weekly indices			
U. S. Labor	111.9	112.2	
Dow Jones	174.45	174.29	180.42
Monthly indices			
Retal (Aug.)†	187.6	188.0	188.9
W'sale (June)	226.5	224.8	242.7
U. S. (May)*	111.6	111.9	....
Gt. Brit. (May)	328.1	329.9	310.6

Note: †Base 1935-39 equals 100. The British index is Board of Trade converted to 1930 base.

*New series based on 1947-49=100. Base of price of quotations is as follows: Cattle — Steers, good, up to 1,000 lb. top price. Toronto Copper-electrotype. New York. Coffee No. 4 Santos. Spot Raw Sugar 96 degrees centrifugal c.i.f.

Investment Trusts

	Bid	Ask
Affiliated Funds	4.96	5.37
Balanced Funds	16.67	18.32
Can. Invest. Fund	6.41	7.03
Commonwealth Int.	5.31	5.84
Corporate Invest.	5.84	6.35
Grouped Income	4.92	5.31
Intl. American	10.32	11.36
Investors Mutual	6.39	7.01
Leverage Fund	3.94	4.33
Mutual Accum. F.	14.02	15.05
Mutual Income	3.40	3.69
Resources of Can.	6.15	6.76
Timed Invest.	4.45	4.89
Trans-Canada A	20.30	...
Do. B	20.40	...
Do. C	4.25	4.55

Government Bonds

(Supplied by Investment Dealers' Assoc. of Canada)

September 15, 1952

%	Due	Bid	Ask
Victory Loans:			
3	Mar. 1954	100⅛	100¼
3	Nov. 1956	98¾	99¼
3	May 1957	97½	97¾
3	Jan. 1959	95¾	96¼
3	June 1960	94½	95¼
3	Feb. 1962	93½	94¼
3	Oct. 1963	93¼	93¾
3	Sept. 1966	93¼	93¾
Dom. of Can. Bonds:			
3	June 1958	96¼	96¾
3¼	June 1966	95¼	96¼
3	Perpetual	†87¾	88¼
2¾	June 1968	89¼	89¾
Can. Nat. W. Ind. S.S.:			
5	Mar. 1955	▪103	104
Grand Trunk Pacific Rly.:			
3	Jan. 1962	▪97	98
4	Jan. 1962	▪104	105½
Dom. Guaranteed Bonds Can. Nat. Railways:			
3	Jan. 1959	95	95½
4½	Feb. 1956	▪102¾	103¼
4½	July 1957	♦104½	104¾
5	Feb. 1954	101½	102
4½	June 1955	▪102¾	103½
2¾	Jan. 1967	89	90
2¾	Sept. 1969	89	89½
3	Jan. 1966	92½	93½

%	Due	Bid	Ask
Prov. Govt. Bonds			
Alberta:			
2¾	Dec. 1953/57.	97	98
British Columbia:			
4½	Jan. 1969	♦108¾	110¼
5	Sept. 1953	101¼	102¼
3	Dec. 1960	93	95
3	June 1964	90	93
5	Sept. 1959	♦107½	109¼
B. C. Power Comm.:			
3	Oct. 1967	87½	89½
Manitoba:			
4	Dec. 1957	♦101¾	102¼
5	Dec. 1959	▪107¼	109½
5½	July 1958	107	109
3	Oct. 1965	89	91
4½	Dec. 1956	♦102¼	103¼
New Brunswick:			
4½	Apr. 1961	♦99½	101¼
2¾	June 1966	80½	82
3½	May 1957	94	95
3½	Sept. 1965	87	88½
Nova Scotia:			
4½	Nov. 1960	♦104	105½
5	Mar. 1960	♦106½	107½
3½	June 1963/65.	91	92
3	June 1956/58.	94	95
2¾	June 1965/68.	83	84½

%	Due	Bid	Ask
Ontario:			
2¾	Nov. 1965/69.	86	87½
4	June 1962	▪102½	103¾
4½	Jan. 1962	♦105¾	106¼
2¾	July 1967/76.	81½	82½
3	Nov. 1963/65.	90½	91½
5	May 1959	▪108	108¾
Ont. Hydro Commission:			
4	Aug. 1957	▪100¼	101¾
2¾	Oct. 1965/68.	85½	87
3	Dec. 1963/65.	90½	90¾
3	Nov. 1967/69.	87¾	88¾
Prince Edward Island:			
3	Oct. 1965	87½	88½
Quebec:			
3¼	Mar. 1954/59.	97½	98
3½	Feb. 1952/55.	100	100¼
4½	Aug. 1958	100¼	102
4½	Jan. 1963	102¾	103¾
3	Sept. 1962/64.	91¾	92½
Quebec Hydro Commission:			
3	Feb. 1969/73.	87½	89
3	Dec. 1958/60.	93¼	94¼
Saskatchewan:			
4	Nov. 1955/60	99	101
5	Aug. 1958	104	106
4½	Mar. 1960	♦104¼	105¾
5½	Oct. 1952	100	100⅛
5	Dec. 1959	107¼	108¼
3	Mar. 1963	90	92
3½	Nov. 1960/62.	92½	94½
3½	Oct. 1962/65.	96	98

†Callable on or after Sept. 15, 1965. ♦Payable Can. or N.Y. ▪Payable Can., N.Y. or £.

Unlisted Stocks

(Compiled from quotations by Kippen & Co., Montreal and Intercity Securities Ltd., Toronto)

September 5, 1952

	Bid	Ask
Algoma Cent. & H. B. Rly.	22.00	22.50
Do. pref.	1.25	1.75
Allens Toronto units	43.00	....
Amurex Oil	9.25	9.75
Anglo Can. Tele. A	10.75	11.50
Ash Temple Limited	1.25	2.00
Banff Oil	2.55	2.70
Beauharnois L. H. & Pwr.	26.00	28.00
Brinton Peterboro Carpet	71.00	....
British Mtge. & Trust	200.00	220.00
B. C. Sugar	96.00	99.00
B. C. Telephone 4¾% pfd.	92.00	93.50
Brockville Trust & Savings	62.00	....
Can. Cons. Grain units	35.00	....
Canada Life	70.00	74.00
Can. Ingersoll-Rand	90.00	95.00
Can. Motor Lamp	17.50	19.00
Can. Superior Oils	12.50	13.00
Can. West Nat. Gas com.	75.00	....
Do. pfd.	16.50	17.50
Capital Wire Cloth com.	22.00	....
Carlton Club	75.00	85.00
Chase, A. W. units	49.00	53.00
Colonial Steamships com.	165.00	175.00
Do. pfd.	67.00	72.00
Commercial Finance Corp.	30.00	36.00
Commercial Life 10% pd.	10.50	....
Continental Life Insur.	52.00	58.00
Cooksville A	16.75	17.00
Do. B	11.50	12.00
Do. pfd.	.70	.80
Copeland Flour Mills units	....	140.00
Cuban Can. Sugar	....	25.00
Detroit Intl. Bridge	22.00	23.00
Dominion Life Assurance	350.00	....
Dom. Royalty Corp.	.23	....
Dover Industries Ltd.	8.50	9.25
Dupuis Freres pfd.	16.00	18.00
Essex Packers com.	1.00	1.50
Do. 1st pfd.	22.00	25.00
Fibre Products 2nd pfd.	....	.40
Foreign Power pfd.	26.00	29.00
Galt Brass com.	38.00	....
Goderich Elevator & Trans.	16.75	....
Granite Club	13.00	14.00
Gt. Britain & Can. Inv.	2.00	....
Do. pfd.	81.00	....
Great-West Life	585.00	....
Guardian Realty pfd.	41.00	45.00
Guarantee Co. of N. Amer.	360.00	385.00
Hart Battery com.	10.50	12.00
Heaps Waterous com.	1.85	2.25
Homewood Sanitarium	....	105.00
Hudson Bay Co.	25.50	26.25
Industrial Mtge. & Trust	62.00	....
Ingram & Bell pfd.	103.00	....
Internat. Coal & Coke	.95	1.03
Interprovincial Holdings com.		
Internat. Holdings com.	12.00	12.75

	Bid	Ask
Interprovincial Pipe Line	182.00	188.00
Lambton Golf	140.00	160.00
Lambton Loan Sarnia	75.00	81.00
Laprairie Co. com.	12.00	14.00
Do. pfd.	86.00	100.00
Lond. Can. Inv. $3 pfd.	43.00	46.00
Do. A	30.00	....
Manufacturers Life Ins.	475.00	490.00
Medical Arts Bldg. Toronto	40.50	42.50
Mississauga Golf	15.00	20.00
Monarch Life 40% paid	145.00	....
National Life 25% paid	63.00	....
New Brunswick Tel.	11.25	12.25
Niagara Lower Arch Bridge	47.00	....
Northern Tel.	1.35	1.50
Oakville Golf Club	15.00	25.00
Oakville Wood 6% pfd.	85.00	92.00
Old Comrades Brew.	.10	.18
Ontario Jockey Club	2.50	2.70
Ont. & Que. Rly. 5% c. stks	116.00	123.00
Para. Oshawa Theatres c.	12.50	....
Park Lawn Cemetery	1.40	1.75
Peller Brewing com.	2.15	2.40
Do. pfd.	12.25	14.00
Provincial Bank of Canada	16.00	17.00
Provincial Gas Co. Ltd.	55.00	....
Prudential Trust	13.50	15.00
Reliance Pet. pfd.	40.00	43.00
Do. A & B	19.00	....
Ritchie Cut Stone pfd.	8.25	....
St. Andrew's Est. units	1.50	1.70
Sawyer Massey com.	3.00	....
Scarboro Golf	13.00	....
Sec. Stand. Royalties pfd.	.06	.07½
Seiberling Rubber com.	9.00	10.50
Sincennes McNaught. Lines	2.50	....
Sherbrooke Trust Co.	140.00	....
Sovereign Life 25% pd.	63.00	66.00
Standard Fuel 4½% pfd.	35.50	37.00
Do. com.	3.00	4.25
Stanfields Ltd. A	10.50	11.75
Do. B	10.50	11.75
Summit Golf	14.00	....
Sun Life Assce.	167.00	170.00
Tor. Brick 1st pf. (Div. 50c)	5.50	7.00
Do. com.	4.00	6.00
United Amusement A	10.50	....
Do. B	8.50	10.00
United Co-Op's Ont. pfd.	3.00	....
United Farmers Co-op.	3.00	....
United Steel pfd.	24.75	....
Universal Cooler com.	3.50	4.50
Do. 6% pfd.	87.00	93.00
Waterloo Manufacturing	7.00	7.50
Waterloo Trust & Savings	24.50	26.50
Western Assurance com.	85.00	....
Weston Golf	....	30.00
York Downs Golf free trans.	250.00	285.00
Do. nonfree	40.00	....

Significant Investors' Index Numbers

No. of Securities	Mach. and equip. 11	Pulp and paper 10	Milling 4	Oils 5	Textiles and clothing 10	Food and allied prod. 14	Beverages 10	Bldg. mater. 16	Power and traction 11	Banks 8	Total utilities 15	Total co's 105
*1935 to date:												
High	474.1	613.5	155.2	178.6	410.5	138.5	479.9	312.5	150.9	160.9	176.9	186.2
Low	69.7	51.6	61.2	41.2	78.4	79.5	79.3	66.7	60.2	60.0	62.5	61.1
1952 Monthly Figures:												
Jan.	452.0	582.8	118.5	161.0	301.2	111.8	396.5	295.3	147.9	146.5	175.0	181.7
Feb.	450.3	563.7	120.4	159.8	285.7	111.6	371.8	293.3	141.2	143.8	169.5	179.5
Mar.	443.3	546.1	120.9	162.8	277.1	110.4	371.7	286.4	140.8	143.6	170.4	177.6
Apr.	417.6	510.8	120.1	172.6	261.2	107.8	352.0	274.0	138.2	140.1	170.4	175.8
May	414.9	488.9	117.8	160.9	258.9	102.5	343.3	264.5	133.6	141.2	166.2	169.0
June	430.2	506.5	121.6	157.4	268.2	101.5	357.9	268.4	138.4	146.6	168.1	171.6
1952 Weekly Figures:												
July 3	418.3	514.7	131.6	161.3	266.1	101.7	359.6	272.5	141.6	149.4	169.8	174.2
July 10	415.0	516.3	129.1	156.7	265.7	102.6	358.2	272.1	132.6	147.8	166.3	172.7
July 17	419.1	517.2	131.2	156.9	271.5	104.5	368.0	282.0	140.9	149.5	168.4	174.1
July 24	423.7	516.3	142.5	157.1	272.2	107.4	372.7	286.5	143.2	151.4	169.5	175.0
July 31	436.2	527.3	143.1	159.7	288.0	107.0	379.1	294.1	145.1	149.6	172.3	178.3
Aug. 7	438.9	524.2	148.0	155.1	296.5	106.6	376.1	298.5	145.4	151.3	172.5	177.6
Aug. 14	445.2	522.0	153.7	152.4	298.1	105.6	373.5	301.2	141.0	151.7	170.3	176.2
Aug. 21	439.8	521.5	155.2	153.9	297.4	106.7	376.2	298.9	141.5	152.6	168.7	175.3
Aug. 28	443.1	511.9	152.3	152.2	296.7	111.1	376.4	299.1	140.4	154.2	168.2	175.1
Sept. 4	439.8	514.8	148.5	151.3	295.8	110.0	377.4	299.6	144.6	155.6	168.5	175.4

*High and low for year from 1935 to date inclusive are based on weekly figures issued by the Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	15 B.M.	15 W.O.
Sept. 8	327.79	91.16	196.29	136.88
Sept. 6	....	....	....	....
Sept. 5	329.51	91.97	197.26	137.63
Sept. 4	330.54	92.40	197.19	138.31
Sept. 3	330.02	93.19	197.17	138.51
Sept. 2	329.04	93.95	196.76	137.91
Month Ago	333.28	93.67	196.34	143.01
Year Ago	355.94	84.17	190.46	117.20
1952 High	343.50	95.54	203.30	157.56
1952 Low	309.34	79.62	179.85	124.07

Montreal Stock Exchange Index

	10 Util.	20 Ind.	30 Com.	10 Pprs.	15 Golds
Sept. 8	88.1	218.6	175.1	722.01	69.87
Sept. 6	....	....	....	....	....
Sept. 5	87.8	218.7	175.0	724.48	70.27
Sept. 4	87.3	218.0	174.4	723.89	70.39
Sept. 3	87.4	218.1	174.5	725.99	71.01
Sept. 2	87.2	217.9	174.3	720.48	71.26
Month Ago	88.1	223.7	178.5	731.41	67.38
Year Ago	88.4	247.9	194.7	843.66	65.66
1952 High	88.4	232.3	184.0	810.05	71.90
1952 Low	83.4	191.1	155.2	647.01	63.32

Dow Jones Closing Stock Average

	30 Indus.	20 Rails	15 Util.	65 Stocks
Sept. 8	275.87	101.31	50.94	106.50
Sept. 6	....	....	....	....
Sept. 5	276.50	102.48	50.99	107.02
Sept. 4	276.76	103.05	51.00	107.26
Sept. 3	277.15	103.43	51.05	107.48
Sept. 2	276.40	103.84	50.94	107.43
Month Ago	280.29	104.40	50.97	108.35
Year Ago	275.25	82.91	45.38	98.11
1952 High	280.29	104.89	51.12	108.45
1952 Low	256.35	82.03	47.53	96.05

Record of Financing

Sales by Municipalities, Provincial and Dominion Government, Offerings of Corporation and Foreign Securities.

DOMINION

Government of Canada Treasury Notes—Due March 1, 1953, $550,000,000. Issued Aug. 29, 1952, bearing interest at the rate of 1¾% per annum. Sold to the Bank of Canada at par.

Government of Canada Treasury Bills—Due Dec. 5, 1952, $75,000,000. Issued Sept. 4, 1952. Sold at $99.72528 to yield 1.105%.

MUNICIPAL

Toronto Township Roman Catholic Separate School Board, Ont.—6% debentures, due July 15, 1953-72, $30,000. Issued July 15, 1952. Sold privately to Burns Bros. & Denton Ltd.

[illegible] Roman Catholic Separate School Board, Ont.—6% debentures, due Sept. 1, 1953-72, $50,000. Issued July 28, 1952. Sold privately to Dominion Securities Corp.

School District No. 57 (Prince George), B.C.—4¾% debentures, due July 15, 1953-72, $141,000. Issued Aug. 13, 1952. Sold at [illegible] to Bank of Montreal, McMahon & Burns Ltd. and J. Richardson & Sons.

Village of Belle River, Ont.—5¼% debentures, due Oct. 1, 1953-72, $150,000. Issued Aug. 18, 1952. Sold privately to Mills, Spence & Co. Ltd. and McLeod, Young, Weir & Co. Ltd.

Sault Ste. Marie Roman Catholic Separate School, Ont.—5¾% debentures, due Sept. 1, 1953-72, $87,500. Issued Aug. 20, 1952. Sold privately to Harris, Mackeen, Goss & Co.

Town of Leaside, Ont. — 4½% debentures, due Oct. 1, 1953-62, $35,600. Issued Aug. 30, 1952. Sold privately to J. L. Graham & Co. Ltd.

Town of Timmins, Ont.—5½% debentures, due Sept. 2, 1953-67, $225,000. Issued Aug. 25, 1952. Sold at $99 to Equitable Securities of Canada Ltd.

School Commission of Town of Black Lake, Que.—4% and 5% debentures, due [illegible] $280,000. Issued Aug. 30, 1952. Sold at $95.57 to Morgan, Kempf & Robertson Ltd. and Can. Banque Nationale.

School Commission Town of La Tuque, Que.—4% and 4½% debentures, due 1953-[illegible],000. Issued Aug. 25, 1952. Sold at [illegible] Morgan, Kempf & Robertson Ltd.

CORPORATE

[illegible] Falls Limited—5½% first mtge. sinking fund bonds, due Sept. 15, 1972, [illegible]. Issued Sept. 15, 1952. Offered at [illegible] and accrued interest by Fry & Co.

[illegible]ston Wood Manufacturing Ltd. — Series B general mortgage sinking fund bonds, due July 1, 1970, $100,000. Issued July 1, 1952. Offered at $100 plus accrued interest to yield 5½%, carrying a bonus of common shares, no par value, at the rate of 20 shares per $1,000 bond by [illegible] & Co. Ltd.

COMMON

[illegible] Petroleums Limited — 500,000 shares (par value $1). Sold at $1 to Crang [illegible] Ltd., Bruce Holdings Ltd., [illegible] McFaryen Ltd. and Davidson Securities Ltd.

Bond Tenders

[illegible] Sept. 11, 1952, **Town of Parrsboro**, [illegible]—4% & 4¼%, 1-12 year debentures, [illegible]000. Dated Sept. 15, 1952.

[illegible] Sept. 9, 1952, **Town of Hantsport**, [illegible]—1-10 year debentures, $28,000. Dated [illegible] 1, 1952.

[illegible] Sept. 5, 1952, **Government of Canada Treasury Bills**—Payable Dec. 5, [illegible],000. Dated Sept. 5, 1952.

Corporation Bonds

(Supplied by Investment Dealers' Association of Canada)

September 9, 1952

Public Utility Issues:	Int. Rate %	Due	Bid	Ask.	Prev. Week Bid
▴Alg. Cen. H.B.R.	5	'59	139	144	138
Bell Telephone	3	'77	84	87	85
Braz. Trac. L&P	4½	'70	82	85	83
B.C. Electric	3½	'67	86½	89½	86½
Do.	3½	'75	85½	88½	85½
Do.	3½	'69	91	94	91
B.C. Telephone	4	'62	95½	98½	95
East Kootenay	3½	'67	80	...	80
Gatineau Pr. D	3½	'70	89½	92½	89½
Gt. Lakes Pwr.	4½	'69	93	96	93
Maclaren-Quebec Power	3	'69	85	88	85
Mex. Lt. & Pr.	5	'75	65	68	66
Mtl. Trams. B	5	'55	99½	102½	99½
Nat. Lt. & Pwr.	4½	'61	93½	96½	93½
North. Que. Pr.	4½	'67	91	94	91
Power Corp.	3½	'67	86	89	86
Quebec Power	3	'62	90	93	90
St. Maurice Pr.	3½	'70	89	92	89
Shaw. W. & Pr.	3	'71	86	89	86
Do.	3½	'73	91	94	91
Un. Fuel Invest.	4	'59	96	99	96
Winnipeg Elec.	3½	'71	88	91	90
Industrial Issues:					
Abitibi Pr. P.	3½	'67	95	98	95
Acadia-Atlantic Sugar	3¾	'65	...	...	90
Alaska P. & Cell	4½	'66	95	98	95
Aluminum Co.	3½	'74	90	93	90
Bowater's Nfld. P. & P.	3½	'68	87	91	87
B.C. For. Prod.	4½	'66	94	97	94
Burns & Co.	4	'63	92	95	92
Can. Steamship	4	'66	94	97	94
Can. Bread	4½	'67	90	93	90
Can. Breweries	4	'69	87	90	87
Can. Canners	3¾	'70	93	96	93
Can. Celanese	5	'62	90	93	90
Can. Chem. Co.	5½	'71	98	101	97½
Can. Oil	3½	'62	91	94	91
Can. West. Lum.	4	'62	95	98	94½
Cockshutt Plow Co.	4½	'65	91½	94½	91½
Columbia Cell.	5	'68	97½	100½	97½
Consol. Paper	3½	'67	97½	100½	97½
Dom. Tar & C.	5	'67	99½	102½	99
Dom. Woolens	5	'64	78	82	78
Dryden Paper	4	'65	94	97	94
E. B. Eddy	3½	'66	88	91	89
Elk Falls Co.	5	'75	94	97	94
Federal Grain	4	'64	91	94	91
Gen. Stl. Wares	3½	'70	87	...	89
Gt. Lakes Pap.	3½	'67	93	96	93
Imp. Tobacco	3	'70	85	88	88
Imp. Oil	3	'69	85	88	85
Indust. Accept.	4	'70	87	90	87
Maple L. M.	3½	'63	94	97	94
Massey-Harris	3	'66	85	88	85
McColl-Front.	3	'71	85	88	86
Mercury Mills	4	'63	85	88	85
Monarch Knit.	4½	'71	89	92	89
N.S. Steel Coal	3½	'63	91½	94½	91½
Page-Hersey T.	3½	'65	89	92	90
Price Bros.	3½	'66	92	95	92
Silverwood Dair	4	'60-64	90	93	90
Do.	4	'71	86	89	86
Simpsons Ltd.	3½	'80	99	...	99
Steel Co. of Can.	2¾	'67	88	91	88
United Corp.	4	'58	98	101	98
United Steel	4	'60	83	88	85
Un. Grain Gr.	3½	'70	86	90	86
Convertible Issues:					
Abitibi P. & P.	4½	'61	100	104	100
Atlas Steels Ltd.	5	'67	108	112	108
Barvue Mines	5	'56	120	125	120
Braz. Trac. L&P	4½	'71	89	93	89½
Brit. Am. Oil	3½	'61	114	118	115
Do.	3½	'62	103½	107½	103½
B.C. For. Prod.	5	'66	95	99	95
Can. South Oils	1-5	'61	104	109	104
Can. Breweries	4½	'61	96	100	96

Market Comment

What stocks and bonds are doing and what prominent observers say

Markets broke out of their 6-week horizontal trading pattern this week. In the first two days, New York industrials had fallen over four points, the rails over three points. With exception of Canadian golds, which tumbled over four points following Treasury Secretary Snyder's firm refusal of a higher gold price plea, Canadian stocks were showing more resistance to selling pressure.

Part of this week's market break is attributed to statements from a newly appointed economic adviser to President Truman to the effect that U. S. industrial activity has already peaked and could start to decline soon. The admitted weakness in the current industrial boom is that it rests largely on government — and indirectly on industry — spending on military equipment for defense needs; that any decline in this will leave U. S. industry with costly surplus capacity on its hands. While likewise affected, Canada is not quite so vulnerable since the expanding economy here has not been so completely directed into military channels.

Obviously the only explanation for continued investor interest in the market under these conditions is that so far majority of traders have felt that stocks have never fully reflected the current industrial boom and that discounting the eventual business let-down has been a market factor for some time.

* * *

ARNOLD PLAXTON: Intercity Securities Corp. (Toronto)

Over the last 12 months, there has been considerable divergence between groups and individual stocks. Papers reached their highs over a year ago and have been reactionary ever since. Some textiles have been in a steep down trend for an even longer time. On the other hand, stocks of flour milling and grain companies have recently been making new highs and some special situations such as Falconbridge Nickel and the pipeline stocks have been in bull markets all their own.

We see no reason to expect any change in the selective character of the market and believe that good opportunities will continue to present themselves. Existing trends appear to favor the paper and the television industries where there have been sharp recoveries in demand. Pipeline stocks still look like good value even after recent advances, but further gains will be restricted by the probability that profits will be regulated by the government if it is ruled that the pipelines are common carriers.

* * *

A. A. McLAUGHLIN; Crabtree & McLaughlin (Montreal)

So far at least the technical evidence does not indicate the formation of a major top, but the recent hesitant market action does suggest the possibility that further consolidation will have to take place, possibly at a somewhat lower price level, before an advance can be extended far into new high ground. While institutional and other investors were prepared to accumulate stocks at moderately rising levels while the business readjustment was bottoming out during the summer, they are not following the rise aggressively despite the current business recovery and generally accepted indications that industrial activity will remain at a high level (quite possibly hitting a new postwar peak) through the first quarter of next year.

Implied is renewed concern as to the course of business activity and stock prices when the present props of defense spending and plant expansion are lowered. There is a small but significant minority of economic opinion leaning towards the view that business may maintain a high rate of activity through 1953, but at present this thinking does not constitute a positive market force.

For broad investment policy, the all-important question during periods of general indecision is whether stocks have been moving into strong or weak hands. While there have been clear indications that a wider circle of investors has been attracted towards common stocks during the course of the advance from 1949 to date, evidence is lacking of the excessive speculation that breeds extreme vulnerability in the market structure. On the contrary, compared with former market peaks, stock values are being reasonably appraised both on an absolute basis and in relation to basic interest rates. Speculative borrowing is at a minimum. A large percentage of all equities purchased in recent years has gone into institutional-type accounts and this type of holding will only be dislodged by a major change in the business and investment outlook.

Analyzing technical market action this year, two things have been outstanding:

(1) A fair percentage of leading New York stocks pushed into new high ground after extended periods of consolidation close to previous highs. There were enough of these to carry the leading averages to the highest levels in more than two decades, including the barometric rail averages which have an excellent record of trend leadership. A considerable number of other stocks have been under apparent accumulation at relatively depressed levels. The broad impression is that an appreciable segment of the market is in a technical position where increased demand could produce substantially higher prices.

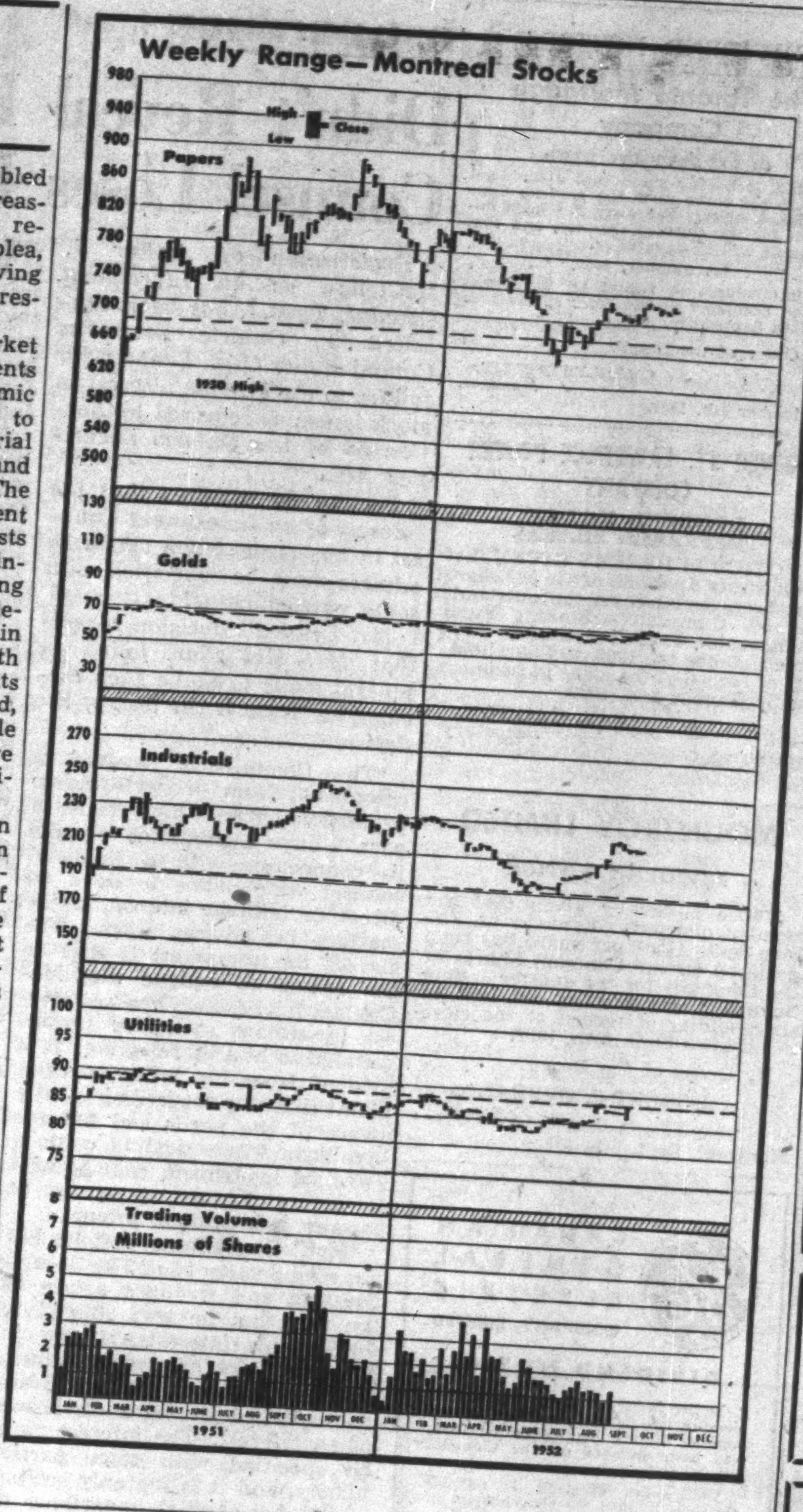
(2) Volume of trading has been low — lower than at the base of the bull market in 1949 — and that is extraordinary considering the great increase in shares listed as a result of additional stock issues, splits and new listings. It is true that shrinking turnover means waning of the advance's momentum, at least temporarily. Reduced volume, it is often recalled, foreshadowed the 1946 and 1937 breaks. But this time low volume has been so subnormal, and so protracted, that it hardly fits into the traditional pattern of distribution prior to a drastic decline. If this interpretation is correct, volume should eventually accelerate to the accompaniment of higher prices. Conversely, it would be nullified by sharply expanding volume on a decline.

Meanwhile, assuming that equity holdings are in reasonable balance and that moderate reserves are available for future buying opportunities, investment action at this time can probably be directed most profitably towards concentration in the best-situated groups.

* * *

NATIONAL CITY BANK (New York)

The National City Bank's September letter states in part: It can be expected that trade through the fall will have the support of rising employment and payrolls. Little doubt is expressed that a period of increased industrial activity, probably lasting well into 1953, lies ahead . . . In one line after another surpluses have been absorbed, and this applies to some of the hard goods —television sets being a conspicuous example — as well as apparel and household goods. Nor do the heavy industries reveal any slackening except where handicapped by steel shortages. Machine tool orders improved. Construction figures hold at peak.



New Highs & Lows

During the week ended Sept. 5, 27 new highs were recorded among the general stocks on Canadian stock exchanges and 10 news lows. In the mining group there were 12 new highs and 20 new lows. In the western oil group there were four new highs and seven new lows.

GENERAL

New Highs—1952

Agnew-Surpass
Beatty Bros.
Brit. Col. Electric 4¾%
Building Prod.
Can Cement pfd.
Can. N. Power
Can. Bank Comm.
Cochrane-Dunlop
B. J. Coghlin
Cdn. Bakeries
Cons. Gas
Dom. Fdries. & Stl.
Dom. Magnesium
Federal Grain
Gen. Dynamics
Halifax Insur.
John Inglis
Nat. Drug
Do. pref.
People's Cred. Sec.
Royal Bank
Russell Ind.
St. Law. Flour pfd.
Simpson A
Do. B
Taylor, Pearson
Trans. Mt. Oil

New Lows—1952

Burrard Dry D. A
Chatco
Cons. Litho.
Imperial Oil
Ind. Accept.
H. Morgan 4¾%
Do. 5%
Sterling Trust
Trans. Television
West. Can. Brew.

MINING

New Highs—1952

Bidgood
Boymar
Central Explorers
Chimo
Dom. Asbestos
Falconbridge
Guayana
Gunnar Gold
Heath Gold
N. Hugh Malartic
Pac. Nickel
Soma Duv.

New Lows—1952

Amer. Standard
Buffalo Ankerite
Century
Cobalt
Giant Y'knife
Head of the Lakes
Heva Gold
Indian Mines
Jaculet
Koot. Belle
Lapa Cadillac
Lavallee
Matachewan
Nocano
Que. Labrador
Que. Y'knife
Quesabe
San Antonio
Tache Lake
Winchester

OILS

New Highs—1952

Cdn. Pipe Line
Com'nwealth Pet.
Gridoil
Tower Pet.

New Lows—1952

Bailey Selburn
Cdn. Atlantic
New Richfield
Nordon
Peak Oils
Shane Oils
Vanalta

BLACK LAKE, QUE. School Commission has sold $181,000 4% bonds due Sept. 1, 1953-62, and $99,000 5% due 1963-72, to Morgan, Kempf & Robertson Ltd. and Banque Canadienne Nationale at 95.57. Net cost 5.25%. Proceeds for enlargement of one school, construction of another. Provincial grant of $142,488 payable in eight annual installments. No other long-term debt; population, 3,275.

STE. FOY, QUE., has sold $60,500 3% bonds due Sept. 1, 1953-62, and $39,500 4% due 1963-71, to A. E. Ames & Co. and J. C. Boulet Ltd. at 93.79. Net cost 4.46%. Proceeds for purchase of fire station and garage, road works, sidewalks, consolidation of debts, etc. Net funded debt at Dec. 31, 1951, $886,300. Population in 1951, $5,536.

LA TUQUE, QUE. School Commission has sold $122,500 4% bonds due Aug. 1, 1953-62, and $52,500 4½% due 1963-67, to Morgan, Kempf & Robertson Ltd. at 96.37. Net cost 4.9%. Proceeds to build school. Provincial grant of $50,000 payable in three annual installments. Net funded debt at June 30, 1952, $660,000; population, 10,230.

Dividends Declared

	This payment $	Date payable	Date of record *
Abitibi Pwr.	.25	Oct. 1	Sep. 1
Do. pfd.	.37½	Oct. 1	Sep. 1
Acadia-Atl. Sugar	.12½	Oct. 1	Sep. 10
Do. A	.30	Oct. 1	Sep. 10
Do. 5% pf.	1.25	Sep. 15	Aug. 20
Admiral Corp.	†.25	Sep. 30	Sep. 19
Amer. Cyanamid	†.50	Sep. 28	Sep. 2
Anglo Nfld. Dev.	.15	Sep. 26	Aug. 31
Asbestos Corp.	.25	Sep. 30	Sep. 9
J. H. Ashdown A	.15	Oct. 1	Sep. 10
Do. B	.25	Oct. 1	Sep. 10
Assoc. Tel. & Tel. 6% pf.	1.50+‡1.50	Oct. 1	Sep. 2
Atlantic Whs. A	.10	Oct. 1	Sep. 15
Do. B	.10	Oct. 1	Sep. 15
Do. pfd.	.55	Dec. 1	Nov. 15
Auto Elec. Serv.	.12½	Sep. 15	Aug. 22
Do. pfd.	.12½	Sep. 15	Aug. 22
Auto Fabrics A	.15	Oct. 1	Sep. 15
Do. B	.05	Oct. 1	Sep. 15
Br.-Amer. Bk. Note	.20	Sep. 15	Sep. 1
Bk. of Nova Scotia	.40	Nov. 1	Sep. 30
Barber-Ellis	.62½	Sep. 15	Aug. 30
Beaver Lumber A	.25	Oct. 1	Sep. 10
Do. pfd.	.35	Oct. 1	Sep. 10
Beld. Cort.	.15	Oct. 1	Aug. 30
Do. pfd.	.17½	Oct. 1	Aug. 30
Bell Tele.	.50	Oct. 15	Sep. 15
Belleterre Q. M.	.05	Sep. 15	Aug. 15
Biltmore Hats	.10	Oct. 15	Sep. 30
Do. A	.25	Oct. 15	Sep. 30
Bird Construction	.50	Sep. 30	Sep. 16
Do.	.50	Dec. 31	Dec. 15
T. G. Bright pf.	.28½	Sep. 30	Sep. 15
Bralorne	.10	Oct. 15	Sep. 23
Brantford Roof. A	.25	Nov. 1	Oct. 15
Brazil. Tract. pf.	1.50	Oct. 1	Sep. 15
B. C. Elec. 4¾% pf.	1.19	Oct. 1	Sep. 15
Do. 4% pf.	1.00	Oct. 1	Sep. 15
Br. Amer. Oil	.12½	Oct. 1	Aug. 25
B. C. Packers A	.37½	Sep. 15	Aug. 30
Do. B	.37½	Sep. 15	Aug. 30
B. C. Power A	.40	Oct. 15	Sep. 30
B. C. Tele.	.50	Oct. 1	Sep. 16
Br. Mtge. & Trust	‡2.00	Oct. 6	Sep. 22
Broulan Reef	.03	Sep. 19	Sep. 5
Bruck Mills A	.30	Sep. 15	Aug. 15
Do. B	.15	Sep. 15	Aug. 15
Building Prod.	.45	Oct. 1	Sep. 11
Burns & Co. A & B	.50	Oct. 28	Oct. 8
Burrard D.D. A	.12	Sep. 15	Aug. 23
Calgary & Ed.	.05	Oct. 15	Sep. 12
Can. Cement pfd.	.32½	Sep. 20	Aug. 20
Can. Flooring B	.25	Oct. 1	Sep. 15
C. Fdrs. & Forg. A	.37½	Sep. 15	Aug. 30
Can. Iron Fdries.	.30	Oct. 1	Sep. 10
Can. Life	.75	Oct. 1	Sep. 15
Can. Malting	.50	Sep. 15	Aug. 15
Canada N. Pwr.	.15	Oct. 25	Sep. 19
Can. Packers A	.75	Oct. 1	Aug. 29
Do. B	.75	Oct. 1	Aug. 29
Can. Perm. Mtge.	.50	Oct. 1	Sep. 15
Can. Steamship	.50	Oct. 15	Sep. 15
C. Wire & Cable A	1.00	Sep. 15	Aug. 30
Do. B	.75	Sep. 15	Aug. 30
Can. Bk. of Comm.	.25+‡.05	Nov. 1	Sep. 30
Can. Bronze	.31	Nov. 1	Oct. 10
Do. pfd.	1.25	Nov. 1	Oct. 10
Can. Brew.	.50	Oct. 1	Aug. 29
Can. Canners	.50	Oct. 1	Sep. 3
Can. Cel.	.60	Sep. 30	Sep. 5
Do. $1 pf.	.25	Sep. 30	Sep. 5
Do. $1.75 pf.	.43¾	Sep. 30	Sep. 5
Can. Dredge	.65	Dec. 12	Nov. 12
Can. Food Prod. pf	1.12½	Oct. 1	Aug. 29
Can. Gen. Elect.	2.00	Oct. 1	Sep. 15
Can. Ice Mach.	.10	Oct. 1	Sep. 15
Do. A	.20	Oct. 1	Sep. 15
Can. Ind. Ltd.	.20	Oct. 31	Sep. 30
Do. pfd.	1.75	Oct. 15	Sep. 15
Can. Ing.-Rand	1.00	Sep. 22	Sep. 11
Can. Oil 4% pf.	1.00	Oct. 1	Sep. 1
Do. 5% pf.	1.25	Oct. 1	Sep. 1
Do. 8% pf.	2.00	Oct. 1	Sep. 1
Can. Refrac.	1.12½	Oct. 15	Sep. 27
Can. Silk A	.37½	Oct. 1	Sep. 2
Cdn. Westinghouse	.50	Oct. 1	Sep. 15
Can. Wirebound A	.37½	Oct. 1	Sep. 10
Cassidy's	.20	Oct. 1	Sep. 5
Do. pfd.	1.75	Oct. 1	Sep. 5
Catelli Fd. Prod. A	.12½	Nov. 29	Nov. 14
Do.	.25	Nov. 29	Nov. 14
Cel. Corp. of Amer.	†.50	Sep. 25	Sep. 5
Do. 2nd pfd.	†1.75	Oct. 1	Sep. 5
Do. A pfd.	†1.12½	Oct. 1	Sep. 5
Chartered Trust	.25	Oct. 1	Sep. 15
Cinzano 5¼% pf.	2¼%	Sep. 30	Sep. 15
Circle Bar Knit. A	.50	Oct. 15	Sep. 20
Commonwealth Pet.	.30	Oct. 15	Sep. 30
Cons. Gas	.20	Oct. 1	Sep. 15
Cons. Textiles pfd.	.50	Dec. 1	Nov. 15
R. L. Crain	.15	Sep. 30	Sep. 12
Crown Trust	1.25	Oct. 1	Sep. 19
David & Fre. A	.25+♦.25	Sep. 30	Sep. 15
Delnite M.	.02	Oct. 1	Aug. 18
Dist. Seagram	.30	Sep. 15	Aug. 25
Dom. Bank	.25+‡.20	Nov. 1	Sep. 30
Dom. Corset	.20	Oct. 1	Sep. 12
Dom. Foundries	.15	Oct. 1	Sep. 10
Do. A pref.	1.12½	Oct. 15	Sep. 24
Dom. Glass	.40	Oct. 15	Sep. 26
Do. pfd.	.35	Oct. 15	Sep. 26
Dom. Stores	.12½	Sep. 15	Aug. 18
Dom. Struct. Steel	.10	Sep. 15	Aug. 15
Dom. Tar & Chem.	.37½	Nov. 1	Oct. 1
Do. pfd.	.25	Oct. 1	Sep. 2
Dom. Textile	.15	Oct. 1	Sep. 2
Do. pfd.	1.75	Oct. 15	Sep. 17
Easy Washing	.05	Oct. 1	Sep. 15
Economic Inv. Tr.	.50	Sep. 30	Sep. 12
Eddy Pap. A	.25	Sep. 15	Aug. 16
Electrolux	†.25	Sep. 15	Aug. 15
Empire Brass pf.	.27½	Oct. 15	Sep. 30
Famous Players	.30	Sep. 20	Sep. 5
Fanny Farmer	†.37½	Sep. 30	Sep. 15
Foundation Co.	.15	Oct. 24	Sep. 30
Fraser	.25	Oct. 20	Oct. 3
Do. pfd.	1.18	Oct. 1	Sep. 12
Gatineau Pwr.	.30	Oct. 1	Sep. 2
Do. 5% pf.	1.25	Oct. 1	Sep. 2
Do. 5½% pf.	1.37	Oct. 1	Sep. 2
Golden Manitou	.05	Oct. 1	Sep. 12
Goodyear Tire	1.00	Sep. 30	Sep. 10
Do. pfd.	.50	Oct. 31	Oct. 10
Grafton & Co. A	.25	Sep. 15	Aug. 25
Do.	.25	Dec. 15	Nov. 25
Gt. Lakes Pwr.	.31¼	Sep. 30	Sep. 2
Gt. West Felt pfd.	.12½	Oct. 1	Sep. 15
Greening Wire	.05+.05	Oct. 1	Sep. 15
Gypsum, Lime	.50	Dec. 1	Nov. 1
Hamilton Bridge	.12½	Sep. 15	Aug. 30
Hamilton Cot. pfd.	1.25	Nov. 15	Nov. 5
Hahn Brass	.25	Oct. 1	Sep. 15
Do. A	.20	Oct. 1	Sep. 15
Harding Carpet	.10	Oct. 1	Sep. 5
Hinde & Dauch	.35	Sep. 25	Sep. 10
Hollinger Cons.	.06	Sep. 30	Sep. 2
F. W. Horner	.12½	Oct. 1	Sep. 5
Hudson Bay M. & S	1.00	Sep. 8	Aug. 8
Huron & Erie Mtge.	1.50	Oct. 1	Sep. 15
Do 20% pd.	.30	Oct. 1	Sep. 15
Imp. Tobacco	.10	Sep. 30	Sep. 1
Do. 6%	3%	Sep. 30	Sep. 1
Imp. Life	.37½	Oct. 1	Sep. 19
Indust. Accept. new	.25	Sep. 30	Sep. 5
Do. $1.60 pfd.	.40	Sep. 30	Sep. 5
Do. $2.00 pfd.	.50	Sep. 30	Sep. 5
Do. $4.25 pfd.	1.06¼	Sep. 30	Sep. 5
Do. $5.00 pfd.	1.25	Sep. 30	Sep. 5
Ingersoll A	.12½	Oct. 1	Sep. 2
Inter-City Bak.	.20	Sep. 30	Sep. 15
Int. Metal A	.40	Oct. 1	Sep. 15
Do. pfd.	1.12½	Oct. 1	Sep. 15
Int. Nickel	†.50	Sep. 20	Aug. 21
Int. Pap.	†.75	Sep. 22	Aug. 22
Do. pfd.	†1.00	Sep. 22	Aug. 22
Int. Petroleum	†.25	Sep. 12	Aug. 25
Int. Power	.60	Oct. 15	Sep. 15
Int. Utilities pfd.	†.35	Nov. 1	Oct. 14
Invest. Found	.75	Oct. 15	Sep. 15
Do pfd.	.75	Oct. 15	Sep. 15
Island Tug	.25	Sep. 1	Aug. 15
Jam. Pub. Ser. pfd.	1.75	Oct. 1	Sep. 3
Johns-Manville	†.75	Sep. 12	Sep. 2
Kelvinator	.25	Sep. 30	Sep. 5
Kerr-Addison M.	.20	Sep. 26	Aug. 29
John Labatt	.25	Oct. 1	Sep. 15
Lamaque Gold	.08	Oct. 1	Aug. 27
Alf. Lambert A & B	.15	Sep. 30	Sep. 16
Do.	.15	Dec. 31	Dec. 17
La Prairie Co. pf.	1.50	Oct. 1	Sep. 15
Leverage Fund	.03	Sep. 15	Aug. 30
			Coup. 11
M. Loew's	1.00	Sep. 30	Sep. 10
W. M. Lowney	.25	Oct. 15	Sep. 15
Macassa M.	.03	Sep. 15	Aug. 16
Gordon MacKay A	.12½	Sep. 15	Aug. 15
Do B	.25	Sep. 15	Aug. 15
Mack. Struc. Stl. pf	1.25	Sep. 15	Aug. 30
MacMill. & Blo. A	.12½+‡.30	Sep. 30	Sep. 10

Corporation Bonds (Contd.)

	This payment $	Date payable	Date of record *
Mailman Corp. Prl.	.25	Sep. 30	Sep. 17
Maple Leaf Mill.	.25	Nov. 27	Nov. 13
Mari. Tel. & Tel.	.20	Oct. 15	Sep. 22
Do. pfd.	.17½	Oct. 15	Sep. 22
Massey-Harris	.15	Sep. 15	Aug. 15
McLN, McK & Prior pf.	1.12½	Sep. 30	Sep. 17
J. S. Mitchell	.31¼	Oct. 1	Sep. 15
Robt. Mitchell	.50	Dec. 15	Nov. 15
Modern Cont. A	.25	Oct. 1	Sep. 20
Molson's Brew. A	.20+‡.20	Sep. 25	Sep. 5
Do. B	.20+‡.20	Sep. 25	Sep. 5
Monarch Knit.	.25	Oct. 1	Sep. 12
Do. pref.	1.12½	Oct. 1	Sep. 12
Mont. Telegraph	.40	Oct. 15	Sep. 15
Moore Corp.	†.22½	Oct. 1	Sep. 5
Do. A & B pf.	†1.75	Oct. 1	Sep. 5
Do. 4% pf.	.25	Oct. 1	Sep. 5
Mount Royal Met.	.15	Oct. 1	Sep. 15
Natl. Grocers	.15	Oct. 1	Sep. 15
Do.	.05	Jan. 2/53	Dec. 5
Do. B	.17	Oct. 1	Sep. 5
Do. pfd.	.37½	Oct. 1	Sep. 15
Nat. Hose. A	.05	Oct. 1	Sep. 5
Natl. Trust	.25	Oct. 1	Sep. 15
Noranda M.	1.00	Sep. 15	Aug. 15
Normetal M.	.10+‡.05	Sep. 30	Sep. 2
Natl. Sewer Pipe A	.60	Sep. 15	Sep. 2
Natl. Steel Car	.37½+‡.50	Oct. 15	Sep. 15
Neon Prod. of W. C.	.40	Aug. 29	Aug. 15
N. S. Lt. & Pwr.	.25	Oct. 1	Sep. 6
Ogilvie Flour	.25+‡.25	Oct. 1	Aug. 27
Ont. Loan & Deb.	1.25	Oct. 1	Sep. 15
Ont. Steel new	.20	Nov. 15	Oct. 15
Do. pfd.	1.75	Nov. 15	Oct. 15
Page-Hersey	.65	Oct. 1	Sep. 15
Paton Mfg.	.20	Sep. 15	Aug. 30
Do. pfd.	.35	Sep. 15	Aug. 30
Pittsburgh Glass	†.35	Oct. 1	Sep. 10
Powell River	.25	Sep. 15	Aug. 22
Power Corp.	.40	Sep. 30	Sep. 5
Do. 1st pfd.	1.50	Oct. 15	Sep. 19
Do. 2nd pfd.	.75	Oct. 15	Sep. 19
Que. Manitou	.02	Oct. 1	Sep. 12
Que. Tele. A	.38	Oct. 1	Sep. 2
Do. 5% pfd.	.25	Oct. 1	Sep. 2
R&M Bearings A	.27+‡.10	Oct. 1	Sep. 15
Reeves MacD. M.	.25	Oct. 10	Sep. 29
Renold-Cov. A	.27+‡.15	Oct. 1	Sep. 15
Do.	.28+‡.05	Jan. 1/53	Dec. 15
Riverside Silk A	.50	Oct. 1	Sep. 15
P. L. Robertson	.50	Oct. 1	Sep. 20
Do. pfd.	.50	Oct. 1	Sep. 20
Robinson Little	.20	Sep. 30	Sep. 15
Rolland Pap. pfd.	1.06¼	Sep. 15	Aug. 31
Russell Ltd.	.25	Sep. 30	Sep. 12
Saguenay Pwr. pf.	1.06	Oct. 1	Sep. 5
Sarnia Bridge	.20	Sep. 15	Aug. 30
St. Lawrence Corp.	.50	Oct. 24	Sep. 30
St. Regis Pap. pfd.	1.10	Oct. 1	Sep. 5
Shaw. Water & P. A	.50	Oct. 2	Sep. 2
Do. B	.56¼	Oct. 2	Sep. 2
Sheep Creek	.03	Oct. 15	Sep. 30
Sicks Brew.	.30	Sep. 30	Aug. 29
Silknit Ltd.	.25	Sep. 15	Aug. 29
Do. pfd.	.50	Sep. 15	Aug. 29
Silver Miller M.	.10	Nov. 30	Oct. 31
Silver Stand.	.05	Sep. 15	Aug. 28
Silverwood Dair. A	.15	Oct. 1	Aug. 29
Do. B	.10	Oct. 1	Aug. 29
Simpsons A & B	1.00	Sep. 15	Aug. 15
Do. pfd.	1.12½	Sep. 15	Aug. 15
Southam Co.	.25	Sep. 29	Sep. 15
South Can. Pwr.	.40	Nov. 15	Oct. 20
Do. pref.	1½%+▪.40	Oct. 15	Sep. 19
Stand. Brands Inc.	†.40	Sep. 15	Aug. 15
Stand. Paving	.50	Oct. 1	Sep. 12
Do. pfd.	.62½+‡.12½	Oct. 1	Sep. 12
Stand. Radio A	.10	Oct. 10	Sep. 19
Do. B	.10	Oct. 10	Sep. 19
T. Stedman Bros.	.20	Oct. 1	Sep. 15
Sterling Trust	.30	Oct. 1	Sep. 18
Super Serv. Sts. pf.	.11¼	Sep. 15	Sep. 2
G. Tamblyn	.25+‡.05	Oct. 1	Sep. 5
Do. pfd.	.50	Oct. 1	Sep. 5
Teck-Hughes	.05	Oct. 1	Aug. 27
Thrift Stores	.25	Oct. 1	Sep. 15
Tip Top Canners A	.25	Oct. 1	Sep. 20
Tip Top Tailors	.15	Oct. 1	Sep. 2
Tor. Gen. Trust	.35	Oct. 1	Sep. 10
Tor. Mtge.	1.25	Oct. 1	Sep. 15
Traders Fin. A	.50	Oct. 1	Sep. 15
Do. B	.50	Oct. 1	Sep. 15
Do. pfd.	1.12½	Oct. 1	Sep. 15
United Corp. B	.40	Aug. 30	July 31
United Fuel A	.75	Oct. 1	Sep. 5
Un. Steel Corp.	.20	Sep. 30	Sep. 9
Do. pfd.	.75	Oct. 31	Oct. 10
Viceroy Mfg.	.15	Sep. 15	Sep. 2
Vic. & Grey Tr.	.20	Sep. 15	Aug. 30
Wabasso Cot.	.25	Oct. 1	Sep. 8
Waterous Ltd.	.10	Oct. 15	Sep. 30
Watson, Jack	.20	Oct. 1	Sep. 15
Westeel Prod.	.25	Sep. 15	Aug. 22
West. Grocers A	.50	Oct. 15	Sep. 15
Do. pf.	.35	Oct. 15	Sep. 15
Geo. Weston	.25	Oct. 1	Sep. 10
Wilsil Ltd.	.30	Oct. 1	Aug. 29
J. C. Wilson Ltd.	.17½	Sep. 15	Aug. 15
Wpg. Electric	.60	Oct. 15	Sep. 12
Wright-Hargreaves	.03	Oct. 1	Aug. 27

♦On arrears. †U. S. funds. ‡Extra.

*The ex-divd. date is usually at least one full business day prior to the record date.

▪Participating div. ♦Bonus.

Unlisted Mines

(Compiled from quotations by G. E. Leslie & Co., Montreal)

September 8, 1952

Stock	Bid	Ask	Stock	Bid	Ask
Amal. Chib	off.	23	Lafayette	40	45
Anthonian	53	57	Laurentide	8	10
Adelmont	5	10	Lloyd Rock	4	6
Adnor	31	34	Montgom'y	26	28
Belmont	27	33	Normiska	32	40
Belville	58	60	Prov. Asb.	26	28
Chateau	33	37	Persh. Man.	9	11
Chibmac	2	4	Quemaque	37	43
Christie	68	75	Scott Chib	3	4
Dockie	off.	23	South Chib	off.	22
Flomic	12	14	Titanium	22	26
Wm. Leys	20	22	Tomiska	12	16

Corporation Bonds (cont'd)

Can. Pac. Rly.	3½	'70	133	138	133
Do.	3½	'66	107	111	107
Dom. Stl. & Coal	4	'61	103	107	103
Dom. Textile	4	'66	98	102	98
Gen. Pete. of C.	4½	'65	111	116	105
Gt. Plains Dev.	1-4	'65	120	130	125
Interprovincial Pipe Line	4	'70	365	375	383
Power Corp.	4½	'68	108	112	108
Supert. Pete.	4	'70	98	102	97
Traders Fin.	4	'68	123	...	122
Trans Emp. Oil	5	'66	104	109	102
Triad Oil	4½	'67	110	115	110
West. C. Brew.	5	'67	96	100	96

▴Payable in Canada or U.K.

Municipal Bonds

September 9, 1952

	Coup. %	Matur.	Bid $	Ask. $	Yld. %
Calgary	3½	'69	85	88	4.52
Edmonton	3½	'69	84	87	4.60
Halifax	3½	'66	88¼	89¾	4.50
Hamilton	3	'67	85⅝	87⅝	4.10
Montreal	3	'70	82	84	4.27
Moose Jaw	3-3½	'60	88	90	4.35
Ottawa	3⅜	'68	89	91¼	4.00
Regina	3	'64	83	85	4.58
St. John	3½	'65	87½	89¼	4.60
Toronto	3	'68	85⅝	87⅝	4.00
Vancouver	3¾	'69	88	90	4.62
Victoria	3¼	'68	85	88	4.81
Windsor	2¾	'75	64½	67⅜	5.15
Windsor	2½	'75	61⅝	64⅝	5.15
Windsor	3¼	'75	74⅝	77⅝	5.15
Winnipeg	3	'69	84	86	4.15

DIRECTORY OF Chartered Life Underwriters
ESTATES PENSIONS FAMILY INCOMES

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Insurance and Estate Planning Service
Sun Life Ass'ce. Co. of Can.
60 Victoria St., Toronto EM. 4-5141

HARVEY D. ORMEROD C.L.U.
THE LONDON LIFE INSURANCE COMPANY
6 JAMES ST. S. HAMILTON 2-1347

JACK R. HUTCHISON, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
60 VICTORIA ST. EM. 4-5141 TORONTO

SAMUEL LITWIN, C.L.U.
Estate and Business Insurance Analyst
Sun Life of Canada
Sun Life Building MONTREAL UN. 6-6411

ANDREW J. ELDER, C.L.U.
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — WAverley 1844

HOWARD J. CROFTS, C.L.U.
Business Insurance and Estate Analysis
THE LONDON LIFE INSURANCE COMPANY
25 King St. West — TORONTO — WA. 1844

FERNAND de HAERNE, C. L. U.
Estate Analysis — Succession Duties — Business Insurance
NORTHERN LIFE ASSURANCE CO. OF CANADA
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BRANCH
3030 DUNDAS ST. W. (opposite High Park Ave.) JU. 1167

DIVIDEND NOTICES

THE DOMINION BANK

DIVIDEND NO. 280

NOTICE is hereby given that a dividend of twenty-five cents per share on the paid-up capital stock of this Bank has been declared for the quarter ending 31st October, 1952 and that the same will be payable at the Head Office of the Bank and its branches on and after the first day of November, 1952 to shareholders of record of 30th September, 1952.

EXTRA DISTRIBUTION

NOTICE is also given that an extra distribution of twenty cents per share on the paid-up capital stock of this Bank has been declared for the year ending 31st October, 1952 and that the same will be payable at the Head Office of the Bank and its branches on and after the first day of November, 1952 to shareholders of record of 30th September, 1952.

By Order of the Board.

A. C. ASHFORTH,
General Manager.

Toronto, 4th September, 1952.

REEVES MACDONALD MINES LIMITED

Notice of Dividend No. 2

NOTICE is hereby given that a Dividend of $584,500.00, being twenty-five cents (25c) per share, has been declared on the paid-up Capital Stock of the Company, payable on the 10th day of October, 1952, to shareholders of record at the close of business on the 20th day of September, 1952.

By Order of the Board.

J. WHITEHOUSE,
Secretary.

Vancouver, B.C.,
September 2, 1952.

BRITISH COLUMBIA ELECTRIC COMPANY LIMITED

CUMULATIVE REDEEMABLE PREFERRED SHARES

NOTICE is hereby given that the Board of Directors has declared the following dividends for the three months ending 30th September, 1952.

4¾% Cumulative Redeemable Preferred Shares

No. 16, $1.19 per share, payable on 1st October, 1952. The said dividend will be payable on or after said date in respect of shares specified in any share warrant on presentation of dividend coupon No. 16 at any branch of The Royal Bank of Canada in Canada.

4% Cumulative Redeemable Preferred Shares

No. 22, $1.00 per share, payable on 1st October, 1952. The said dividend will be payable on or after said date in respect of shares specified in any share warrant on presentation of dividend coupon No. 22 at any branch of The Royal Bank of Canada in Canada.

By Order of the Board

J. A. BRICE,
Secretary.

Vancouver, B.C
28th August, 1952.

BRITISH COLUMBIA POWER CORPORATION, LIMITED

DIVIDEND No. 97

NOTICE is hereby given that a dividend of Forty cents (40c) per Share on Class "A" Shares has been declared for the three months ending 30th September, 1952, payable by cheque dated 15th October, 1952, to shareholders of record as at the close of business on 30th September, 1952.

By Order of the Board,

J. A. BRICE,
Secretary.

Vancouver, B.C.
28th August, 1952.

BRITISH COLUMBIA TELEPHONE COMPANY

ORDINARY DIVIDEND

Notice is hereby given that a quarterly dividend of 50c per share has been declared on the outstanding Ordinary Shares of the Company, payable on October 1st, 1952, to shareholders of record at the close of business on September 16th, 1952.

By Order of the Board.

J. CARLILE,
Secretary.

Vancouver, B.C.,
September 2nd, 1952.

CANADA STEAMSHIP LINES LIMITED

A dividend of fifty cents per share on the no par value common shares of Canada Steamship Lines Limited, covering the six months period ended June 30, 1952, was declared, payable October 15, 1952, to shareholders of record September 15, 1952.

Dated at Montreal, this 29th day of August, 1952.

N. F. HOWELL,
Secretary.

SUN LIFE ASSURANCE COMPANY OF CANADA

Head Office: Montreal

DIVIDEND NOTICE

Notice is hereby given that a dividend of seventy-five cents (75 cents) per share on the Capital Stock of the Company has been declared for the quarter ending September 30th, 1952, and will be paid on October 1st, 1952, to shareholders of record at the close of business September 15th, 1952. The Stock Transfer books of the Company will be closed from September 16th to September 30th, both dates inclusive, for preparation of the above dividend.

By Order of the Board.

F. J. CUNNINGHAM
Secretary.

Montreal,
September 3, 1952.

Canadian Westinghouse Company Limited

DIVIDEND NOTICE

Notice is hereby given that a dividend of fifty cents (50c) per share on the outstanding Capital Stock of the Company has been declared and will be payable on the first day of October, 1952, to Shareholders of record at the close of business on the fifteenth day of September, 1952.

Cheques will be mailed to Shareholders.

By Order of the Board,
W. A. CAMPBELL, Secretary.
Hamilton, Canada, September 2, 1952.

DIVIDEND NOTICES

THE CANADIAN BANK OF COMMERCE

DIVIDEND NO. 263

NOTICE is hereby given that a DIVIDEND OF TWENTY-FIVE CENTS per share, plus an EXTRA FIVE CENTS per share, on the paid-up Capital Stock of this Bank has been declared for the quarter ending 31st October, 1952, and that the same will be payable at the Bank and its Branches on and after SATURDAY, the FIRST day of NOVEMBER next, to Shareholders of record at the close of business on 30th September, 1952. The Transfer Books will not be closed.

By Order of the Board.

JAMES STEWART,
General Manager.

Toronto, 5th September, 1952.

THE MONARCH KNITTING COMPANY, LIMITED

NOTICE OF DIVIDENDS

NOTICE is hereby given that quarterly dividends of $1.12½ per share on the 4½% cumulative redeemable sinking fund preference shares and 25c per share on the common shares of this Company have been declared for the quarter ending September 30, 1952 payable on and after October 1, 1952 to shareholders of record at the close of business on September 12, 1952.

By Order of the Board.

D. A. McINTOSH,
Secretary.

Toronto, September 4, 1952.

BRALORNE MINES LIMITED

(Non-Personal Liability)

DIVIDEND NO. 62

NOTICE is hereby given that an Interim Dividend of 10 cents per share has been declared on the paid-up capital stock of the Company, payable on the 15th day of October, 1952, to shareholders of record as of September 23rd, 1952.

By Order of the Board,

RONALD H. GRACE,
Secretary-Treasurer.

Vancouver, B.C.
September 2nd, 1952.

SHEEP CREEK GOLD MINES LIMITED

(Non-Personal Liability)

Notice of Dividend No. 61

Notice is hereby given that a Dividend of three cents per share has been declared on the paid-up Capital Stock of the Company, payable on the 15th day of October, 1952, to shareholders of record at the close of business on the 30th day of September, 1952.

By Order of the Board.

JAMES ANDERSON & CO.
LIMITED,
Secretary.

Vancouver, B.C.
September 2, 1952.

MONTREAL LOCOMOTIVE WORKS, LIMITED

DIVIDEND NO. 26

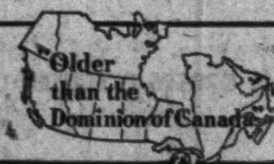
A dividend of twenty cents (20c) per share on the common stock of this Company has been declared payable October 1st, 1952 to shareholders of record at the close of business on September 15th, 1952.

Transfer books will not be closed.

WILLIAM J. NILES,
Secretary.

September 5, 1952.

The Huron & Erie MORTGAGE CORPORATION



Notice is hereby given that a Quarterly Dividend of 1½ per cent for the current quarter ending 30th September, 1952, has been declared on the paid in Capital Stock of this Corporation and will be payable at any of the Corporation's offices on the 1st of October, 1952, to shareholders of record at the close of business on the 15th of September, 1952.

By Order of the Board.

D. McEACHERN,
Secretary.

London, Ontario,
8th September, 1952.

Dividend Notice

Hiram Walker-Gooderham & Worts Limited

DIVIDEND NO. 146

A dividend of 75 cents a share has been declared on the outstanding no par value Common Stock of this Company payable Wednesday, October 15, 1952, to shareholders of record at the close of business on Friday, September 19, 1952.

By Order of the Board.

A. H. STUART,
Secretary.

Walkerville, Canada,
September 5, 1952.

UNION FINANCE LTD.

INTERIM DIVIDEND NOTICE

NOTICE is hereby given that an interim dividend at the end of six months operations of 40 cents per share has been declared by the Directors of the company, payable in Canadian Funds on September 1st, 1952, to holders of common shares of record at the close of business July 31st, 1952.

By Order of the Board.

JOHN A. ANDERSEN,
Secretary.

Wetaskiwin, Alberta,
August 27th, 1952.

DIVIDEND NOTICES

The Toronto Mortgage Company

QUARTERLY DIVIDEND

NOTICE is hereby given that a dividend of $1.25 per share upon the paid-up Capital Stock of this Company has been declared for the Current Quarter, and that the same will be payable on

1st October, 1952,

to shareholders of record on the books of the Company at the close of business on 15th September, 1952.

By Order of the Board.

CHARLES PETTIT,
Manager.

September 4th, 1952.

LOWER ST. LAWRENCE POWER COMPANY

DIVIDEND NOTICE PREFERRED SHARES

NOTICE IS HEREBY GIVEN that a quarterly dividend of 25c per share has been declared on the outstanding 5% Cumulative Sinking Fund Redeemable Preferred Shares, payable October 1st, 1952, to Shareholders of record at the close of business on September 2nd, 1952.

P.-E. GAGNON,
Secretary.

RIMOUSKI, Que.,
2nd September, 1952.

MOUNTROY LIMITED

DIVIDEND NOTICE

Notice is hereby given that the regular quarterly dividend of Fifteen cents (15c) per share has been declared on the Common Shares of the Company for the quarter ending Sept. 30th, payable Oct. 1st, 1952, to shareholders of record at the close of business Sept. 15th, 1952.

By Order of the Board.

ROBERT J. OVERALL,
Secretary.

Montreal, Sept. 5th, 1952.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

DIVIDEND NOTICE

Notice is hereby given that a dividend of two dollars per share for the quarter ending September 30, 1952, has been declared on the Common Stock of the Company.

The above dividend is payable October 1, 1952, to shareholders of record at the close of business September 15, 1952.

By order of the Board.

W. H. Nesbitt
Secretary.

Toronto, September 3, 1952.

DOMINION CORSET COMPANY LIMITED

NOTICE is hereby given that a dividend of twenty cents (20c) per Share has been declared for the quarter ending September 30, 1952, on the outstanding Common Stock of this Company, payable October 1, 1952, to Shareholders of record September 1st, 1952.

By Order of the Board.

MAURICE GODBOUT,
C.A.,
Secretary-Treasurer.

Canadian Bronze Company Limited

DIVIDEND NOTICE

The Quarterly Dividend of 1¼% on the PREFERENCE STOCK of CANADIAN BRONZE COMPANY, LIMITED, has been declared payable the 1st day of November, 1952, to Stockholders of record as of the 10th day of October, 1952

Also a Quarterly Dividend of Thirty-one (31c) Cents per Share has been declared on the present outstanding COMMON STOCK of CANADIAN BRONZE COMPANY, LIMITED, for the three months ending October 31st, 1952. Payable the 1st day of November, 1952, to Stockholders of record as of the 10th day of October, 1952.

By Order of the Board,

W. C. PAQUETTE,
Secretary.

Montreal, P.Q.
September 3rd, 1952.

QUEBEC TELEPHONE CORPORATION

DIVIDEND NOTICE PREFERRED SHARES

NOTICE IS HEREBY GIVEN THAT a quarterly dividend of 25c per share has been declared on the outstanding 5% Cumulative Sinking Fund Redeemable Preferred Shares, payable October 1st, 1952, to Shareholders of record at the close of business on September 2nd, 1952.

P.-E. GAGNON,
Secretary.

RIMOUSKI,
September 2nd, 1952.

QUEBEC TELEPHONE CORPORATION

DIVIDEND NOTICE CLASS "A" SHARES

NOTICE IS HEREBY GIVEN THAT a semi-annual dividend of 37c per share has been declared on the outstanding Class "A" Shares, payable October 1st, 1952, to Shareholders of record at the close of business on September 2nd, 1952.

P.-E. GAGNON,
Secretary.

RIMOUSKI, P.Q.
September 2nd, 1952.

THE GREAT WEST SADDLERY COMPANY LIMITED

Common Stock

A dividend of Fifty Cents (50c) per share for the quarter ending September 30, 1952, on the Common Stock has been declared and authorized to be paid on September 30, 1952, to all Common shareholders of record with the Transfer Agents of the Company at the close of business on September 19, 1952.

By Order of the Board.

J. S. HENDERSON,
Secretary.

Winnipeg, Manitoba,
September 8, 1952.

OSC DECISION

Didn't Reveal His Interest Counsel Loses Registration

Registration of Arthur J. McClellan as an Investment Counsel, Type I, has been cancelled by Ontario Securities Commissioner O. E. Lennox, for failure to disclose his interest in stock issues as required by Section 56 of the Ontario Securities Act.

Section 56 requires that the interest of an Investment Counsel in any issues upon which he advises must be "specified with some particularity."

Mr. Lennox's decision reveals that Mr. McClellan failed in several ways to make such disclosures. Here is the text of the decision:

"The Commission received a complaint from a well-known professional man which reads, in part, 'I have a complaint to make in connection with a financial counsel who claims to have no direct or indirect interest in the matters he advises upon.' The gist of the complaint is that he has reason to believe that McClellan, his adviser, has an interest in certain securities recommended to him by telegram. It is evident from his letter of complaint that this subscriber is fully aware of the perils and hazards involved, when dealing with a so-called investment counsel who is acting in the interests of certain promotional groups.

"McClellan admits that he has not read Section 56 of The Securities Act and was not aware of the fact that he was obliged to disclose his interests, if any, in the securities he recommended. The provisions of Section 56 are not satisfied by bare disclosure of an interest. The interest must be specified with some particularity, and it is the only section of the Act of vital importance to a registered investment counsel. McClellan, like many other registrants who find themselves in difficulty, seeks to shift the blame for his failure to comply with this important statutory provision to the Commission, by alleging, in effect, that he was misled as a result of discussions with different members of the staff.

"On the footing of the complaint now before the Commission we are not dealing with his failure to comply with the Act, which is a negative consideration. We are dealing with a positive consideration, namely, whether he did, in fact, represent that he had no interest, direct or indirect, in the securities which he recommended. If he did make representations along these lines, in face of his present admission that he traded in the securities referred to by the complainant and holds a position in each, his knowledge or lack of knowledge of an important statutory provision is of secondary importance.

"It is a matter of record that he did make the representations as alleged. The complainant became a subscriber for a period of 90 days commencing in November, 1951. At this time The Financial Forecaster issued by McClellan contained the following statement at the foot of each issue — 'We are not brokers nor do we have any financial interest in the securities of the companies reviewed herein.' In the latter part of January, 1952, both the heading and the footnote of the bulletin were altered, but the representation made to existing subscribers was not qualified. Accordingly the specific complaint now under consideration has been fully substantiated. Moreover, if any doubt should remain as to whether this type of representation was used as a strong selling point it should be dispelled by reference to an undated circular, which reads in part — 'Please understand that I am not a broker, nor do I, nor any member of my staff have any interest in the shares of any company.' This broad statement has never been qualified to the knowledge of the Commission and being undated, must be accepted as a blanket statement of policy covering the entire period of registration.

"The foregoing facts clearly establish that this registrant has freely resorted to false representations concerning a matter which goes to the very roots of honest and impartial investment advice; they also indicate that he acted on behalf of promotional interests. The registration of Arthur J. McClellan as an investment counsel Type 1 will accordingly be cancelled forthwith."

Short Position Higher on TSE

Semimonthly short position on the Toronto Stock Exchange on Aug. 29, eliminating odd lots on members' books, aggregated 419,787 shares of 161 issues, compared with 339,814 shares of 151 issues at Aug. 15.

Stock	Shares	Stock	Shares
Silv. Miller	+26,600	Utd. Asb.	—8,100
Gunnar Gl	+21,300	Ang. Rouyn	+6,000
Mayo M.	+15,500	C.P.R.	—250
Negus	+14,500	Ford A	—200

Here are short positions in detail:

Stock	Shares	Stock	Shares
Abitibi	3,550	Graham Bous.	1,500
Ajax	100	Great Lakes	600
Akaitcho	1,000	Gunnar	24,000
Albermont	500	Guayana	1,000
Algoma	150	Gypsum	200
Aluminium	340	Hallnor	200
Amer. Y'Knife	500	Headway	1,000
Anacon	800	Heath	12,000
Anchor	500	Hellens	500
Anglo-Nfld.	1,000	Hollinger	1,100
Anglo Rouyn	6,000	Homer	1,000
Argus	500	Hudson Bay	100
Asbestos	50	Hugh Pam	6,000
Ascot	15,900	Imperial Oil	3,100
Asher	3,000	Int. Paper	150
Atlin-Ruffner	300	Int. Pete	120
Atlas Steels	100	Jupiter	1,200
Barvue	340	Kelore	2,500
Beattie-Duq.	500	Kerr-Addison	500
Bibis	500	Labrador	450
Bobjo	500	Lake Dufault	3,100
Boymar	500	Lake Osu	2,000
B.A. Oil	1,600	Leitch	200
B. C. Forest	200	Macassa	100
B. C. Pack. B	200	Mackeno	200
Broulan Reef	2,100	MacLeod	1,000
Brown	1,000	Malartic G. F.	500
Buffalo Ank.	200	Marigold	3,000
Buffalo Cdn.	1,000	Massey	3,000
Calgary & Ed.	700	Mayo	15,500
Calnorth	500	McColl	100
Campbell R. L.	100	Mid-Contin't	1,500
Can. Cement	200	Minn. & Ont.	50
Can. Pack. B	100	National Pete	3,100
Cdn. Breweries	500	Negus	17,000
Cdn. Celanese	75	Nesbitt	5,200
Cdn. Pacific	100	New Br. Dom.	1,300
Cent. Exporers	750	New Fortune	1,000
Central Leduc	1,000	New Hugh	4,500
Charter	100	Newlund	8,300
Chiboug. Ex.	2,000	New Morrison	500
Chimo	3,500	New Ryan	2,000
Citra-Lartic	500	New Superior	100
Cockshutt	100	Noranda	25
Cons. Astoria	1,000	Normetal	500
Cons. Discov.	1,250	Okalta	900
Cons. Howey	1,000	Ont. Pyrites	500
Cons. Paper	150	Orange Crush	400
Cons. Smelt.	725	Pamour	3,500
Corby A	200	Pershcourt	500
Crowshore	2,000	Ponder	100
Del Rio	1,000	Powell River	100
Devon	2,000	Prado	500
Dom. Asb.	1,200	Preston	500
Dom. Steel	300	Price	400
Dom. Woollens	500	Prospectors	1,000
Donalda	2,500	Punch	4,200
Duvex	500	Rix-Athabas.	1,000
East. Metals	300	Rowan Cons.	2,000
East Malartic	9,700	Sapphire	3,500
East Rim	200	St. Law. C'p.	2,110
East Sullivan	100	Scurry	500
Eldona	1,000	Sherritt	5,900
El Sol	1,000	Silanco	500
Emer. Glacier	1,800	Silver Miller	32,900
Estella	3,000	Starratt	1,000
Eureka	4,000	Steep Rock	8,500
Fargo	3,200	Trans-Era	2,000
Fed. Pete	500	Trans Moun.	192
Fenimore	3,000	Tungsten	300
Ford A	235	Utd. Asb.	85,800
Fraser	300	Utd. Keno	300
Frobisher	700	Utd. Oil	1,600
Frobisher Wts.	400	Violamac	2,300
Gas Expl.	3,000	Walkers	275
Gatineau	400	West. Homes	3,100
Gen. Motors	100	Wilrich	3,100
Gen. Stl. W.	100	Wright-Har.	14,200
Giant Y'Knife	300	Yale	500
God's Lake	1,000	Y'Knife Bear	2,300
Golden Man.	500		

CNR Places $18.9 Million Diesel Order

MONTREAL (Staff)—An $18.9 million order for 102 road and switcher diesel locomotives has been placed by Canadian National Railways. The new additions are scheduled for delivery in the first quarter of 1953.

All three Canadian diesel-builders shared in the new business. Canadian Locomotive Co. will make 20 1,600-hp. road locomotives; Montreal Locomotive Works Ltd., 10 1,600-hp. road locomotives and 22 660-hp. switchers; and General Motors Diesel Ltd., 40 1,500-hp. road locomotives and six 1,200-hp. road switchers. These will all be operated in Canada.

For its U. S. lines, Canadian National ordered two 1,000-hp. switchers from American Locomotive Co. and two 1,200-hp. switchers from General Motors.

When delivery of this latest order is completed, plus a few units still to come on previous orders, CN's total diesel fleet will number 448 (not including 26 self-propelled railcars which carry passengers). At present, there are 343 diesels operating on the company's lines, equal to about 12.4% of its total locomotive fleet.

The latest order brings the value of all types of equipment still to be delivered to CN to $67 millions.

Red-Led B.C. Fish Union Stages Price Issue Strike

From Our Own Correspondent

VANCOUVER—The Red-tainted United Fisherman and Allied Workers Union this week called its second strike in four months against B. C.'s salmon industry.

Approximately 3,000 fishermen tied up their boats Sunday on orders from their leaders who had failed to force the industry into paying them last year's prices for chum salmon.

(At midweek the industry took another blow: wholesale canned salmon dropped $1 to $2.50 a case depending on species. It was the second drop of the season, making total decline this year $3.50 to $7 a case. The reason: overseason markets are weak, the new pack came on top of a heavy carryover and industry is trying to get the price down to speed retail sales.)

It was the second strike this season for the union, headed by George Miller, president, and Homer Stevens, secretary. A strike threat in June ended when industry agreed to pay last year's price for sockeye. The union postponed action on other species on which the industry wanted price cuts.

From July 19 to 24, fishermen went on strike over the price for other species of salmon but finally accepted a lower figure after the Native Brotherhood, an organization of Indian fishermen making up 25% of the membership, voted against the strike.

Chums Are Last

Last species in the argument — chums — are now starting to run. The union wants at least last year's price which ranged from 8c to 11c a pound depending on fishing areas. Industry offered 5½c and stuck to its offer.

The strike isn't a major blow to the salmon industry in B. C. since the main season is over. Chums are a special market item in autumn and not a big canned item like sockeye. Most chums are shipped fresh frozen in raw state for retail sale in the U. S. or are sold as frozen fillets in Canada.

Prices on the key U. S. market now is fluctuating between 10 and 12½c per delivered pound. The B. C. industry says it can't pay fishermen last year's prices and then sell at current levels. Spokesmen say it will be "touch and go" paying the 5½c they have offered.

Only about 60,000 cases of chums have been canned this year compared with 212,000 last year. Reason: the big carryover of canned salmon and the fact that much of the chums catch is being shipped frozen.

British Prefab Housing Firm Casts Eye Out Edmonton Way

(Special Correspondence)

LINCOLN, Eng. — H. Newsum & Sons will erect one Riley-Newsum prefab in the Edmonton area as an exhibit and test house for the Alberta market.

This is being done with an eye on the possible market for the prefabs from the Canadian Celanese Edmonton chemical plant, oil companies operating in Alberta and oil companies participating in the Lake Athabaska oil extraction project.

This was learned at a special ceremony held at the company's Lincoln plant to demonstrate the speed with which the company's prefabs for Canada can be erected. It was done in 7 hours, 10 minutes—50 minutes less than the estimated time. U. K. Minister of Works, David Eccles, officiated.

James Riley, an official of the company, expects to visit Canada again this fall for further talks with Central Mortgage & Housing officials at Ottawa.

Grain Prices

Chicago Futures

Week to September 8, 1952

Crop year from Aug. 1, 1952 High	Low		High for week	Low for week	Close Sep. 8
		Wheat—			
2.35¼	2.29	Sept. ...	2.32¼	2.30⅜	2.31¼
2.42¼	2.35¼	Dec.	2.39¼	2.37⅞	2.38⅜
2.47½	2.41½	Mar.	2.44⅛	2.43¼	2.43⅞
2.48	2.42⅜	May	2.45¼	2.44⅛	2.44⅜
2.41⅛	2.38⅜	July	2.41⅛	2.40¼	2.41
		Corn—			
1.82¾	1.76¼	Sept. ...	1.78⅜	1.77⅛	1.78⅛
1.78⅞	1.72	Dec.	1.74⅜	1.73¼	1.74¼
1.83¼	1.76	Mar.	1.79	1.77¼	1.78⅛
1.84¼	1.77⅛	May	1.80⅜	1.78¼	1.79⅜
1.81	1.79¼	July	1.81	1.79¼	1.80⅜
		Oats—			
.86¼	.81⅞	Sept. ...	.85⅞	.82⅞	.85⅛
.91	.86	Dec.	.89¼	.87¼	.88⅜
.93¼	.88¼	Mar.	.91¼	.90¼	.91
.92⅞	.88⅛	May	.90¼	.89⅜	.90¼
.88¼	.86½	July	.88¼	.86⅞	.87⅞
		Rye—			
2.13⅞	1.90	Sept. ...	1.96¼	1.91⅛	1.96
2.16	1.94	Dec.	2.00¼	1.96¼	2.00
2.19	1.97½	May	2.02¼	2.00¼	2.04⅛
		Soybeans—			
Sept.		....	3.23¼	3.14⅛	3.21⅛
Nov.		....	3.13⅜	3.06⅛	3.11⅛
Jan.		....	3.13⅜	3.08⅜	3.12¼
Mar.		....	3.14¼	3.09¼	3.13¼
May		....	3.13¼	3.09⅜	3.12¼

Chicago Cash

	For Week Sept. 8 High	Low	Prev. week High	Low
Corn—				
2 Yell.	...	...	1.84¼	1.83¼
Oats—				
1 H. Wh.	.94¼	.90¼	.92	.92

Winnipeg Futures

Week to September 8, 1952

Crop year from Aug. 1, 1952 High	Low		High for week	Low for week	Close Sep. 8
		Oats—			
.88⅜	.82	Oct.	.84⅛	.82⅞	.84⅛
.85¼	.80¼	Dec.	.82⅛	.81¼	.82⅜
.87¼	.81⅞	May	.83⅜	.83	.83¼
		Barley—			
1.35¼	1.22¼	Oct.	1.35¼	1.29⅜	1.35
1.27⅞	1.19⅞	Dec.	1.28¼	1.24¼	1.25⅜
1.27	1.19⅜	May	1.25¼	1.22¼	1.23⅞
		Rye—			
1.95	1.71⅞	Oct.	1.78	1.73¼	1.76¼
1.96¼	1.72¼	Dec.	1.78⅜	1.74⅜	1.78¼
1.99	1.76	May	1.84¼	1.78⅜	1.84¼
		Flax—			
4.02¼	3.86¼	Oct.	3.96¼	3.89¼	3.80
3.97	3.75¼	Dec.	3.90¼	3.86	3.87½
3.98¼	3.82	May	3.91	3.85	3.90¼

Winnipeg Cash

	For Week Sept. 8 High	Low	Prev. week High	Low
Oats—				
2 C. W.	.85¼	.83¼	.83	.82¼
3 C. W.	.83¼	.80⅞	.80¼	.79⅜
Barley—				
1 Feed	1.33	1.28⅜	1.27¼	1.25
2 Feed	1.32¼	1.28	1.26⅜	1.24
1 Malt	1.53	1.48	1.48¼	1.41¼
Rye—				
2 C. W.	1.61¼	1.59	1.61¼	1.57⅜
1 C. W.	...	...	...	...

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Annual Profit About $5 Million By '54 Placer's Forecast For One Subsidiary

A $3 million expansion program now being undertaken by Placer Development at the lead-zinc and tungsten mining operations of its Canadian Exploration subsidiary in the Salmo district of B. C., can be expected to result in substantially increased earnings officials indicate. A prospectus prepared in connection with sale of 60,000 treasury shares at $42.30 a share to Greenshields & Co. (providing $2.5 millions for expansion) gives details of the current ore picture, expansion plans and anticipated earnings.

Canadian Exploration, wholly owned by Placer, appears likely to set something of a record for increased earnings. In the year ended Nov. 30, 1951, a net profit of $1,930,423 before depreciation was reported for its lead-zinc mining operations at the Jersey mine. Estimated profit of the same operation for the six months ended May 31, 1952, amounted to $1,950,000. "Based on the present lead-zinc milling rate of 900 tons per day and of 1,200 tons from the end of 1952, with lead and zinc prices each at 15 cents per pound, and estimated revenue from tungsten under existing contracts, the annual profit (after federal and provincial taxes but before depreciation) is expected to reach about $5 millions for the calendar year," President C. A. Banks reports.

More Expansion Ahead?

It appears, from information given, that 1,200 tons a day will not end expansion in the lead-zinc mining sphere. In planning the present expansion, provision has been made whereby milling can be stepped up from 35,000 tons monthly (1,200 tons a day) to 55,000 tons monthly by addition of extra flotation cells. In a separate report Dr. W. F. James, consulting geologist, estimates that the mine can produce 1,800 to 2,000 tons of lead-zinc ore daily by the middle of 1953. As the underground crushing plant and conveyor system are designed to handle more than 3,600 tons daily (for either lead-zinc or tungsten ores), it appears that the way will be open for the management to embark on further expansion of lead-zinc mining facilities.

Reserves of lead-zinc ore were estimated by company officials at 7.5 million tons averaging 1.4% lead and 5.2% zinc at Sept. 20, 1951, after allowance for dilution. C. W. Ball, the company's geologist, considers that the increase in reserves as indicated by recent surface diamond drilling will exceed the tonnage mined since last September. As at June 30, 1952, 740,000 tons of calculated combined mine grade of 7.7% had been developed and prepared for mining.

Tungsten Body Large

Dr. James reports that deep diamond drilling by mid-1951 had traced a substantial tungsten ore body over a length exceeding 4,000 ft. First close cross-sectional diamond drilling indicated 230 tons of ore to the vertical foot averaging 1% WO_3. Although results were lower, further drilling confirmed the existence of a large tungsten deposit.

Initial underground drilling has closely confirmed surface drilling both as to tonnage and grade.

Further surface drilling shows tungsten for an additional 3,000 ft. to the south of the above ore body but further delineatory drilling is required.

"From present diamond drilling and geological assumptions, company officials estimate that the tungsten ore body on the Canadian Exploration property should contain about one million tons of ore, though more drilling and further development will be required before an exact figure can be given," Dr. James states.

Dr. James also notes that "surface showings and diamond drilling holes located throughout the property indicate a widespread occurrence of tungsten ore . . ."

Move Tungsten Mill Ahead

Development of production facilities for tungsten ore — the initial mill was converted to treatment of lead-zinc ores — is described by Dr. James as follows:

"In July, 1951, the company made a longterm sales agreement for its production of tungsten concentrates and drew up a program for development of the Dodger mine; also for extension of the 250-ton mill then being built by the Canadian Government (for treatment of its tungsten ore). An agreement was later made whereby the company would purchase from the Government the 250-ton mill and increase it to a capacity of from 600 to 700 tons per day. This work was completed and the new section of the mill commenced production at the rate of about 450-500 tons per day on April 5, 1952. It is expected that the mill will be operating at the rate of 600-700 tons per day early in 1953."

A deal was concluded on Sept. 6, 1952, where Canadian Exploration acquires the Canadian Government tungsten reserves so that the entire mill capacity now becomes available for Canadian Exploration account. This would apparently increase the earnings potential beyond that estimated above.

The management anticipates that conclusion of the present $3 million expansion program (which includes cost of the government mill) will have the effect of lowering costs considerably. It is estimated that costs of mining and milling lead-zinc ores will drop from the current $6 a ton to less than $4 a ton while operating costs for tungsten ore will drop from the current level of about $10 a ton to not more than $6 a ton.

Another subsidiary, Coronet Oil Co., has a 54.68% interest in 18,125,511 bbl. of crude reserves estimated for Andector lease in Texas while Placer Development has a 40% royalty on the net interest of Coronet. Placer Development estimates that its royalty revenue will approach $550,000 annually while Coronet funds can be used for further exploration.

In financial circles this week, rumor had it that a two-for-one or three-for-one stock split is under consideration for later this year but the prospectus does not provide any indication such a split is contemplated. After the latest financing, the company has 860,000 shares issued which is considerably smaller issued figure than that of most mining companies.

Souris Valley Getting Wells

Oil-production outlook for Souris Valley Oil Co. has been enhanced with President H. L. Carnahan reporting that Goulter No. 1 well has been placed on production with an output of 50 bbls. daily and the Goulter No. 2 well being readied for production.

Indications are that the Goulter No. 2 well will pump from 75 to 100 bbls. daily, it is stated.

Coring has been done at the third well and indications are that this well may prove better than the No. 1 well, it is said. This well should be on production in 10 days' time and equipment is now being moved to the No. 4 well location.

Another Success?

Mr. Carnahan further states that the Cal-Standard Co. reports that they have set pipe and perforated the well at Waskada on the acreage which Souris Valley farmed out to them and in which Souris has retained an over-riding royalty interest. This well, on a swabbing test, made one-half barrel of oil per hour, and they are now hydro-fracing it. It is expected that this well will also be a commercial producer. Souris Valley owns a considerable amount of leases in the vicinity of this well, in addition to the over-riding royalty interest.

Mr. Carnahan further reports that the company is negotiating for the drilling of another well north of the company's Downey No. 1, and also for a farm-out of some of the company's other acreage. Should these negotiations go forward as anticipated, a well should be started on this acreage within two weeks, it is stated.

OIL PRODUCTION

Alberta Completes Wells At Record Rate in August

From Our Own Correspondent

CALGARY — Oil wells were completed at a record rate of five a day in Alberta during August.

A total of 151 wells were completed during the month or over 20% more than in the same month of 1951. To the end of August, 1,038 wells were completed in Alberta in 1952 which was an increase of more than 30% over 1951's record-breaking performance for the same period.

Nearly 63% of August wells resulted in either oil or gas; 84 were completed as oil wells, and 12 as gas wells (including four wet gassers). The remaining 55 wells were abandoned.

Thirteen wells completed in August were classed as discoveries — about three a week. Of these, seven were oil discoveries, four wet gas finds and two natural gas wells. The new oil strikes during the 31-day period were at Chauvin, Pigeon Lake, Rosenheim, Saddle Lake, Three Hills, Twining and Vulcan. The wet gas finds were at Alix, Minnehik, and Nevis (two). Natural-gas discoveries were in Daysland and Eaglesham areas.

* * *

More Strikes This Month

The first week in September has provided four more oil strikes, two gas discoveries.

Initial oil production — for Canada — was secured from the Basal Colorado sands at an **Amurex Oil Development Co.** and associates well completed on Trans-Empire farmout lands near Cessford, 100 miles east of Calgary.

Heavy crude (18.1 deg. API) was secured from the interval 2,924 to 2,931 ft. Pipe recovery was 750 ft. of clean oil with no water. Production casing has been set.

Participating with Amurex in its 50% share in the project are **Ashland Oil & Refining** and the **Murphy Corporation.**

Five independents — **Leduc Consolidated, Mill City Pete, High Crest Oils, Mercury, Royal Canadian Oils** — and a group of individuals share a 50% interest in another discovery on a **Socony-Vacuum Exploration Co.** farmout at Chancellor, Alberta, about 50 miles east of Calgary. This discovery was a dual one with 34 deg. API crude found in the Sunburst sand and 29 API oil found in the Madison limestone. Drill stem testing was proceeding at last report.

Six miles west of the previous Drumheller producing area, Mazal Drumheller No. 1 well indicated approximately 45 ft. of D2 pay zone above the water level for a new Devonian strike. Production string of casing is being set. This project is shared 10% by **Carleton Oils,** 5% each by **Renfrew Petroleums** and **Canadian Admiral Oils** and 80% by private interests including T. L. Cleary.

Dome Exploration (Western) and a private American group discovered gas in the Viking sand in the Consort area with well deepening proceeding to test other objectives. The team of **Kroy Oils, Jupiter, Ponder, Central Leduc** and **Del Rio Producers** have made another gas discovery near Kisku, east of Leduc area Devonian wells. Gas was found in the Viking with drilling continuing.

* * *

Leduc Southern Absorption Ltd. has announced that as the result of a six months' survey, a site has been acquired for an absorption plant adjacent to the McLeod-Kavanagh region of south Leduc.

Toronto, Vancouver and Edmonton interests are reported backing the project.

The absorption plant to be built will be modern in every respect and will have a daily capacity of 15 million cu. ft. daily, according to J. E. Fritch, office manager of Leduc Southern. Products will include propane, butane and natural gasoline, as well as gas for industrial and domestic uses.

* * *

Western Homestead and **Pan Western Oils** have successfully completed another pair of heavy crude producers in the Baxter Lake area; a third well is to be drilled . . . **Punch Petroleums** and **Rio Tinto Alberta Oils** are drilling a quarter mile stepout to their Lower Cretaceous oil discovery in the Red Coulee-Coutts area of Southern Alberta . . . **Scurry Oils** and associates (**Banff Oils, Rainbow, Petrol Oil & Gas, Central Explorers** and **Diversified Oils**) are rigging up two new development wells in the South Camrose and Armena-Camrose Viking sand oil field.

Albermont Petroleums and **Kelcam Oils** have joined for drilling of a stepout venture in the Red Coulee area of Southern Alberta on a 20,000-acre Crown reservation. First driller is three miles northwest of the Punch-Rio Tinto discovery.

New Devon Ups Reserves 34%

An increase of 34% in net proven oil reserves has been recorded by Devon Petroleums since early in July with estimated present reserves of 1,400,000 bbls.

Listing statement of the Toronto Stock Exchange, showed reserves of 1,045,850 bbls. on July 10. Since then, four more wells have been successfully completed in the Leduc field and the company has now participations in 18 wells.

Four more wells are now being drilled in the company's continuing program as follows: Skyline Do-More and associates 6-27; New Devon No. 4; Skyline-New-Devon-Banner 5-20; and New Devon Winnitt No. 6-8.

Banff Oil Issue Oversubscribed

An offering of a million common shares of Banff Oil to provide the company's treasury with $2 millions has been oversubscribed, The Financial Post is informed.

Of the million shares, 800,000 were offered at $2.50 a share, U. S. funds, by a group of U. S. underwriters headed by Lehman Corp. The other 200,000 shares were offered in Canada at $2.40 a share, Canadian funds, by a group of underwriters headed by W. C. Pitfield & Co. and including L. G. Beaubien & Co., Burns Bros. & Denton, Equitable Securities of Canada and Oldfield, Kirby & Gardner Ltd.

Banff Oil has interests in 34 producing oil wells and its oil reserves have been estimated at 1,368,000 bbls. Varying interests are held in approximately 2,314,500 acres of undeveloped properties including a 26 2/3% interest in 1,214,882 acres of reservation in the Wapiti-Smoky section of the Peace River area.

The company recently acquired all the assets and properties of Tower Petroleums including participations in five producing oil wells and interests in 502,000 acres included in the abovementioned holdings.

Canada Southern Gets Leduc Well

Canada Southern Oils has announced successful completion of its South Leduc No. 2 well, drilled on acreage acquired at Crown auction on May 22.

A drillstem test of interval 5,324 to 5,336 ft. resulted in a flow of high gravity oil to surface in 32 minutes. S. P. King, vice-president, stated that the well is 11 ft. higher on D2 formation than the company's No. 3 well nearby which was completed recently and after acidization showed an initial potential of 1,200 bbls. daily

The No. 2 well is continuing to core ahead and will test the D3 formation before being placed on D2 production. The No. 2 and 3 wells are wholly owned by Canada Southern.

Sapphire Buys Texas Reserve

Over 1.6 Million Bbls. Estimated For Slaughter Field Stake

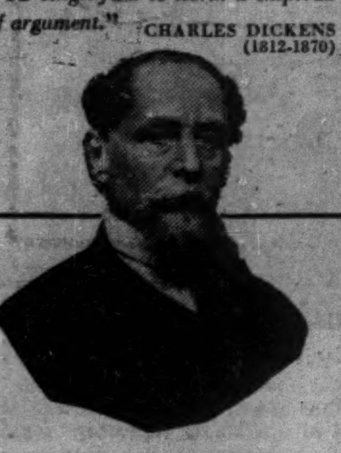
Sapphire Petroleums which, as announced last week, has sold $2 millions of convertible 10-year 5% debentures, is now completing a deal for acquisition of substantial oil reserves in Texas, The Financial Post is informed.

A 65% interest is being acquired in a 1,953-acre productive tract in the Slaughter pool of Texas for which oil reserves of 1,584 bbls. per acre have been estimated.

After allowing for an eighth landowner's royalty and a sixth farmout charge, Sapphire prospective reserves for this ground are estimated at approximately 1.4 million bbls.

Sapphire and Kenwell Oils hold an option to purchase a 100% interest in this tract and completion of the purchase now awaits only certain legal formalities.

Sapphire also has a sixth interest in a five-well followup program to the capped Merrill gas discovery made by Sapphire and associates in the Holden area of Alberta with a first well Merrill-Calvan-Kenwell-Amerada No. 7-10 down past 3,500 ft. The drilling is being done on an 11,364-acre farmout from Amerada Petroleum Corp. The discovery well located gas in the Lower Cretaceous and flowed gas at a rate of more than 7 million cu. ft. daily on two drillstem tests.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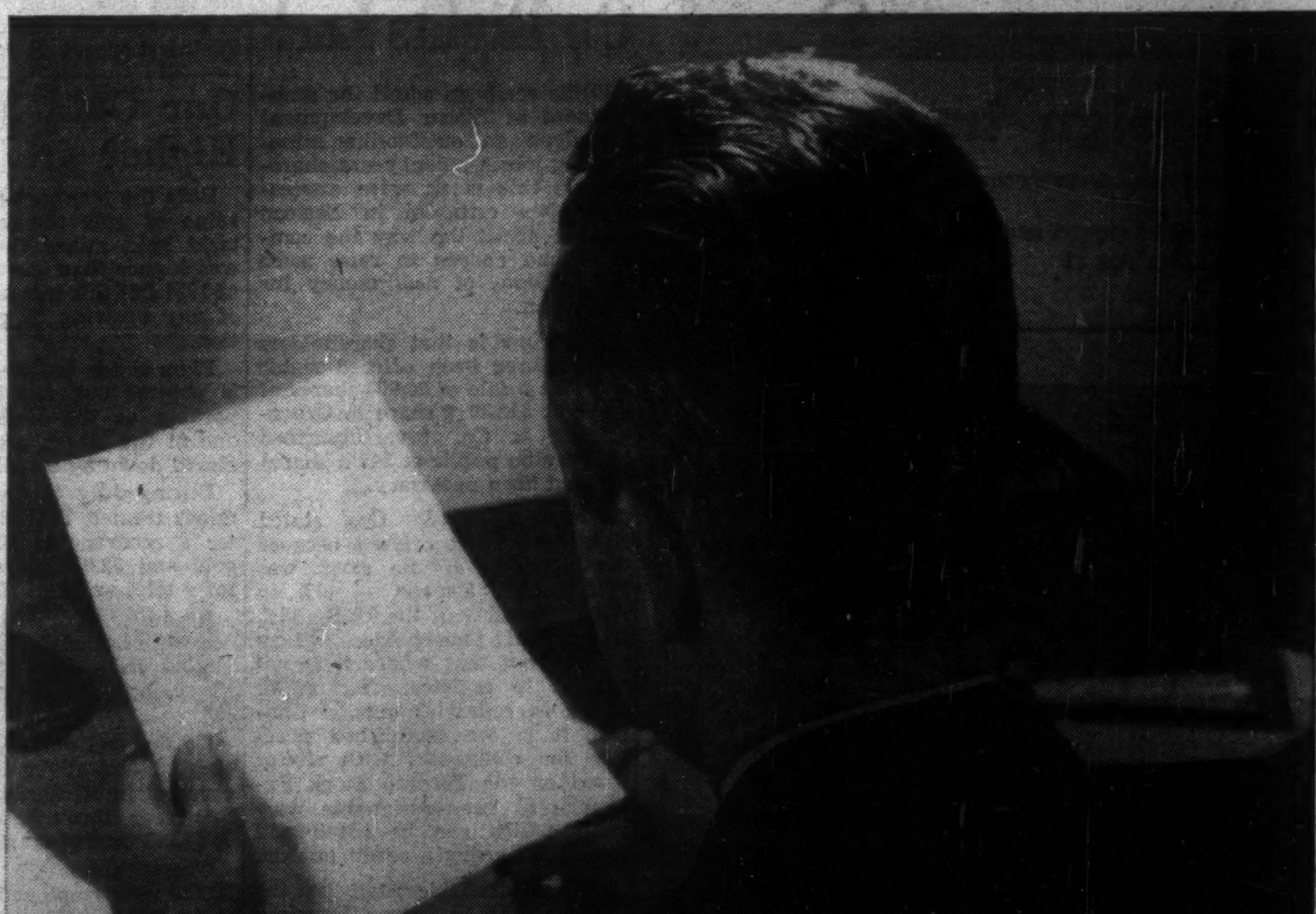
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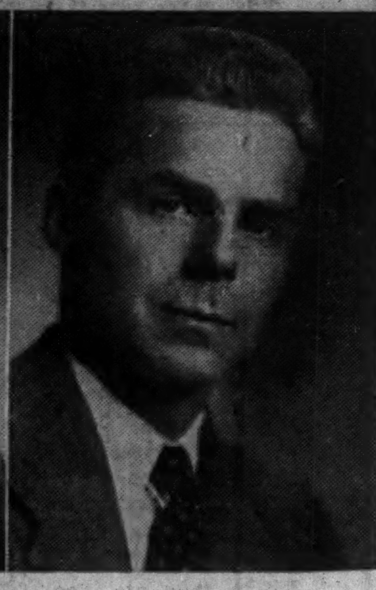

A. G. THOMPSON

Burndy Canada Ltd., Toronto, announces the appointment of Bunston Ltd. as Western Canada Sales Representatives with head office in Vancouver and branch office in Winnipeg. Bunston Ltd. is headed by Roy F. E. Bunston, P.Eng. who has been associated with Burndy since 1947, appointed Chief Sales Engineer when the Canadian plant was established in 1949 and became Chief Engineer in 1951. A. G. (Al) Thompson who has been named Chief Engineer of Burndy filling the position vacated by Mr. Bunston has also been with Burndy since its inception in Canada, serving as sales representative in Ontario. Prior to joining Burndy, Mr. Thompson was with Canadian General Electric Co. Ltd., for 12 years on design and application engineering.

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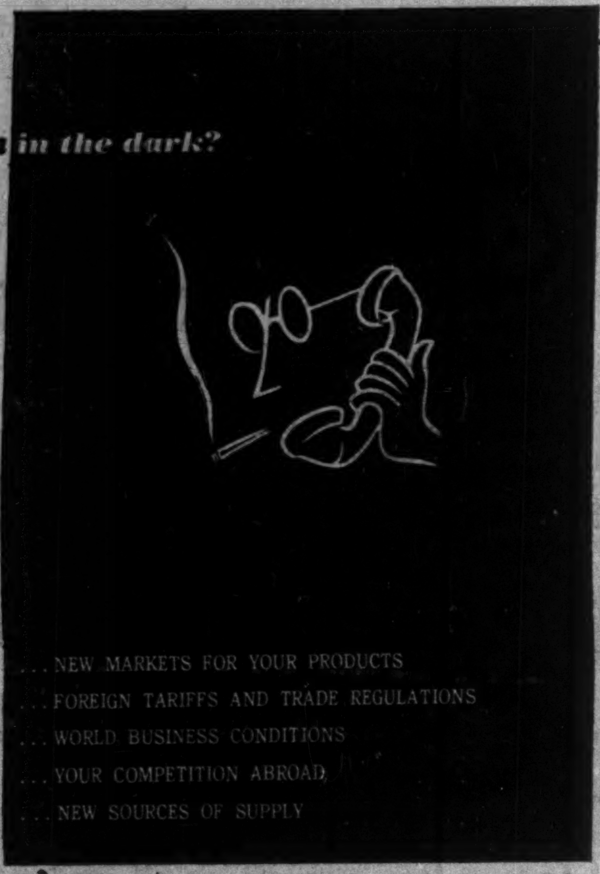

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MINING INVESTMENTS

Eastern Townships Gets New Base Metal Producer

In view of an urgent demand for pyrite, Weedon Pyrite & Copper Corp. Ltd., Sherbrooke area, Que., is producing direct-shipping ore for immediate delivery.

The mine is at present shipping 130 tons daily, with shipments started late in August to meet requirements of British Metals Corp. which has a marketing agreement with the Eastern Twps. mining company.

Direct shipments during the period when Weedon's own concentrator is being put into operation may reach as much as 10,000 tons.

Base Metals Run Well

"Copper and zinc content is running higher than calculated," Robert Devlin, consulting engineer, states with reference to shipments to date. "The grade is meeting sulphur requirements."

Weedon's new concentrator will commence operation this fall. Machinery installation is now well advanced and the crushing circuit is almost operable. Construction of auxiliary buildings is in the final stages. Underground, mine rehabilitation was largely completed before the first shipment was made last month.

Recent diamond drilling has been confined to "probing for the limits of the main lens and had given satisfactory results," Mr. Devlin says.

O. A. Runge, formerly manager of Anglo-Rouyn Mines, has been appointed manager of Weedon Pyrite & Copper Corp.

• • •

Big Widths at Keno Hill

Ore with an unusually great width is being opened at the Hector mine of United Keno Hill Mines, Mayo district Yukon.

On the 6th level, 110 ft. of ore opened up to Aug. 9, it is reported, averaged 51 oz. silver over an average width of 20 ft.

The present face is stated to average 34.7 oz. silver over 31.4 ft.

Ore carrying 50 oz. silver usually runs approximately 10% lead and 5% zinc as well.

Hydro-electric power is expected to become available at United Keno about Nov. 1 which should assist in cutting costs.

• • •

Ankeno Drives Adit

Ankeno Mines is going underground at its property in the Keno Hill district. A contract has been let to Pat. Harrison to drive an adit and complete 1,500 ft. of lateral work on the extension of Mount Keno's Hogan vein which has given good ore results next door. The extension was located by bulldozing.

A 30-ton mining plant was scheduled to reach the property this week and the adit is expected to be started within 10 days' time.

Underground work has been recommended by the company's consulting engineers, Powelson and Johnston.

Besides the extension of the Hogan vein, Ankeno is believed to hold the possible extension of United Keno's Onek vein. Work may be carried out underground at a later date to explore this possibility.

• • •

Stockpiling Problem

The U. S., engaged on a big stockpiling program, has a problem — storage. Where do you store billions of dollars of minerals you don't want to use right away?

At June 30, 1952, the stockpile totaled $3,565 millions with an additional $1,918 millions on order and an over-all goal of $7,753 millions.

Because warehousing is already a headache for industry, adequate storage has been quite a problem.

There was interest at one time, in Munitions Board and other U. S. agencies, in use of caves for storage facilities. But this possibility created other unsolved problems, it is stated.

Bellekeno Finding High Grade In Latest Keno Hill Driving

A shoot of good grade silver ore has been opened up by Bellekeno Mines at its second adit level. Material runs high enough grade that bagging of ore is being done for direct-ore shipment to smelter.

The section causing interest at this point is a length of 101 ft. averaging 128 oz. over 4 ft, with the last 34 ft. of included length grading 198 oz. over 78 in. The last drift face averages 167 oz. silver over 8 ft.

No assays on lead or zinc content are yet available.

This fine ore length follows earlier encouragement in 2nd adit level work when a 105-ft. length averaged 52.5 oz. silver over 4.5 ft. below a first level section where 35 ft. ran 48.3 oz. silver and 17.2% lead over 2.3 ft.

Plans call for the following out of the new ore, raising on it to the first level. The first level is to be extended to test the area of the latest ore shoot.

Placer Rapped On Rights Lack

While ready to admit the management of Placer Development has done an outstanding mine-making job in recent years, shareholders this week were expressing open criticism in Eastern Canada about the way the company had chosen to raise some $2.5 millions of new money for expansion.

The view is that shareholders should have been offered rights and that a sale of 60,000 shares of stock at $42.30 a share to Greenshields & Co. (oversubscribed later by he public at $47 a share) had not been necessary.

Greenshields & Co. stated rights were not offered because the majority of the stock was held outside Canada — 40% in Australia, 10% in the U. S., 10% in the U. K. Shareholders in turn pointed out that where it is not desired to register offerings of rights in countries outside Canada, it is the established practice for companies with shares listed on the Toronto Stock Exchange to issue assignable warrants which can be listed and invariably enjoy a ready market.

Some shareholders felt that the management of Placer Development, largely concentrated in British Columbia, may not have been conversant with Eastern Canada practices, express the hope that if any further finances are needed at a later date, an offering of rights will be provided.

If an offering of rights had been made, the take-down price would likely have been less than $42.30 a share if needed funds were to be assured (unless the issue were underwritten). A greater number of shares than 60,000 would then have been required to raise the desired sum. But benefits of the "cheap stock" would have gone to shareholders, it is pointed out.

Our Gold Yield Higher in July

Both the number of ounces and value of gold produced by Ontario gold mines in July, 1952, was higher than the same month of 1951 but this was not indicative of any upswing in gold production.

Figures for the two months, it is pointed out, are hardly comparable as the Hollinger mine, one of the larger producers, was closed down by a strike.

During July this year 40 gold mines treated 778,328 tons of ore for a recovery of 200,181 oz. of gold and 32,919 ounces of silver for a total value of $6,937,805.

In July, 1951, 759,645 tons of ore were milled for a recovery of 176,144 oz. of gold, 30,181 oz. of silver, for a gross value of $6,529,657.

To the end of July, $50,277,664 of gold and silver has been recovered by Ontario gold mines this year through treatment of 5,957,282 tons of ore.

There were an average of 12,264 men employed by the Ontario gold mining industry in July this year.

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Double Tractor Units shown on front end support Snowmobile on muskeg.

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SNOW
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Bombardier Snowmobiles equipped with Goodyear snowmobile tracks and tires roam in sand or muskeg the year 'round across Western Canada's limitless and pathless oil-productive terrain.

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BT-52-30 C

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An electric refrigerator part, 29⅛" x 8½" with 10 holes and 4 notches was fabricated including setup in only 5.61 minutes and subsequent pieces in only **37 SEC.**

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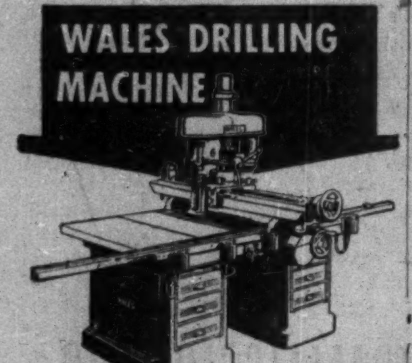
An automotive channel 28" long with 12 holes was fabricated including setup in only 3.37 minutes and subsequent pieces in only **29 SEC.**

An electronic chassis 12½" x 11½", with 118 holes and 4 notches was completed including setup in only 32.45 minutes and subsequent pieces in only **6.44 MIN.**

A circle, 24" in diameter with outside diameter nibbled and 5 holes punched was produced in only 4.26 minutes including setup and subsequent pieces in only **2.38 MIN.**



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New Gunnar Neighbors at Beaverlodge First Results Pleasing to Management

A considerable development boom is shaping up for the immediate area in which Gunnar Gold Mines and associates have made their new discovery in the Beaverlodge area (Financial Post, August 28, 1952).

As the result of staking and deals, quite a few companies have acquired close-in ground. Diamond drilling will likely be under way at the Gunnar and associates property this week. A new type Swedish drill is to be used nearby.

Results "Pleasing"

Results from limited work on the Gunnar discovery have been very pleasing so far, President Gilbert LaBine informs The Financial Post. Chemical analysis has shown the radioactive mineral to be definitely uranium. The management is definitely pleased with initial assays. At the same time it is stressed that the number of assays is as yet so limited that no definite conclusions can be reached.

The scintillometer survey over a small part of the ore zone gave satisfactory results and Gunnar is now engaged in bulk sampling of the zone, using a Warsop drill. Some bulk samples have already been delivered to Nesbitt-Labine for assay. It will likely be a month or two before a representative picture is secured even with the enlarged crew being put to work.

The type of deposit suggests that chances are excellent for good core recovery in diamond drilling. The diamond drill may be of much greater assistance in evaluating this property than most uranium occurrences. There is little overburden in most sections and drilling should be quite rapid. It is expected that the bulk sampling plus diamond drilling will permit the laying of plans for next year.

Nesbitt-Labine Uranium Mines has had Johnny Nesbitt at work prospecting their ground adjoining the Gunnar and associates claims to the south and six or seven fine showings of pitchblende are stated to have been opened. Nesbitt was the airman and part-time prospector who turned up the rather sensational uranium showings on Nesbitt-LaBine's ABC group.

Chimo Buys Ground

Walter Blair, president of Chimo Gold Mines, announces that Chimo has acquired, for cash, a group of 11 claims adjoining to the north of the Gunnar discovery. This group is also traversed by the big regional fault structure. Blair partnered with Gunnar prospector Zeemal to make the original Gunnar discovery, reports that there is one showing of pitchblende on the common boundary with the Gunnar and associates group. Chimo is expected to consider shortly new financing plans for development of its new acquisition..

Noranda Mines confirms that the company has staked ground in the general Gunnar area, but details are not yet available as to location and any showings.

Sherman Oliver, geologist for Lorado Uranium Mines, staked ground for that company adjoining west of Gunnar and Nesbitt LaBine ground. An initial discovery has been made. A new type of Swedish drill left Toronto air express Monday for use on the property. This drill is stated to be capable of drilling to 13 ft. and to be more suitable than the usual type of hand drill for opening up the Beaverlodge type of occurrence. It is reported capable of penetrating seven ft. of granite a minute.

In due course the Gunnar discovery will be transferred to a new company. The Gunnar interest amounts to 50% with Toronto mining and financial interests sharing the remaining half interest. Diamond drill results from the discovery will "set the stage" for the financing of the new company, it is expected.

See Higher Net For Pipeline Despite 'Cut'

A reduction of 10c per bbl. on through movement of Canadian crude from Redwater, Alta., to Superior, Wisc., has been announced by Interprovincial Pipe Line Co. There will be proportionate reductions in tariffs to intermediate points along the line system. Reduced rates will become effective Oct. 15, 1952. New tariffs rates on crude carried to Superior will be 45c a bbl.

Even with reduced tariff, which will only affect a small part of this year's throughput, company's net profit for 1952 is expected to exceed 1951.

The company expects to approximately reach its earlier estimated 1952 throughput of some 39 million bbls., up from 1951's 30.6 million bbls. volume. With completion of $10 million expansion program in facilities by 1953 and addition of some three million bbls. lake tanker capacity, total throughput next year is expected to run around 43 million bbls.

After allowing for a 10c a bbl. reduction in pipeline carrying charges and based on an estimated crude oil throughput of 43 million bbls., The Post estimates per share earnings for 1953 at around $18 a share.

"This reduction in transportation cost is in line with the company's policy of reducing tariffs with increased throughputs" Interprovincial president T. S. Johnston states. "It is the intention of the company to provide shippers with economical transportation costs which will assist in development of Canada's crude oil resources."

At a special meeting company shareholders unanimously approved making application to Parliament for an act subdividing the capital stock of the company on a 10 for 1 basis.

Unlisted Mines, Oils

(By the Broker-Dealer's Ass'n of Ontario)

Approximate quotations, 3.00 p.m., Sept. 8, subject to confirmation and change. An asterisk (*) indicates an increase in price, a dagger (†) a decrease in price.

	Bid	Ask
Abenakis	2½	3½
Advance	3½	4½
Alexander	7½	9
Ama Kirk	6	7
Amax	50	60
Ameranm	35	40
Anna'que	2½	3
Arctic	3	4
Argonaut	1½	2½
Barber N	2	4
Bar Man	..	12
Baska	*60	65
Beacon	10	15
Beauriv	1	2
Bi Ore	5	7
Biroco	5	7
Blondor	1½	2½
B McDade	9	11
Bour C	3	5
Bouzanne	4	6
Braminco	14	18
Bright RL	1½	2½
Burley Por	3½	4½
Camlaren	4	5
Camray	2½	4
Captain	4	6
Cassidy	2	3
Cent Man	13	15
Cock RL	2	3
Columbier	1½	2½
Columind	48	53
Comstock	†25	30
Conecho	†15	18
Con Chib	25	30
Con Copp	13½	15
Craibbe	10	13
Croydon	2	3
Cuyuni N	..	9
Derlak	3	4
De Sant	2½	3½
Destorada	9	12
Doris	2	4
Dunvegan	4	6
Durham	12	15
E Lund	†3	5
Echo Ind	2	3
El Bonanz	*6	9
Elmac	4	6
Erin Kirk	1½	2½
Fleming	10	12
Flicka	2½	4
Forty Fr	105	120
Gan Cop	†3½	4
Gay Riv	..	65
Glencona	8	9
Gldfld U	*85	95
Golpac	5	10
Grd Chib	175	200
Gover Gold	3	5
Greenlee	6½	8
Habitant	3	5
Halden	2	3
Halkin	5	8
Harker	3½	4½
HG Young	*70	80
Hornfault	12	14
Hotstone	†3	4
Indepen	†37	41
Insco	10	13
I Ceramic	50	53
Isle Pines	†5	7
Jardun	33	38
Jerome	16	18
Jo Indian	*74	78
Jonsmith	26	28
Kamlac	15	18
Ken Bay	4½	6
Kenda Per	7	10
Kenogami	2	3
Lar Add	6	8
Lassie	13	15
LaSalle	2½	3½
Lennie	3	4
Le Pine	..	5
Lk Expan	5	6
Lower Can	1½	2½
Lun Echo	7	9
Lyndhurst	28	30
Mallen RL	†2½	3½
Mar Bird	2	3
Marquette	1	2
Mary Ann	2	3
Mate Yell	†5	6
McManus	3	5
McCuaig	3	4
Miles RL	3	4
Mindus	60	65
Mistassini	3	4
Mt Keno	31	33
Mohawk	3½	4
Murmac	†5	6½
Nat New	5	7
New Aug	7	8
Newcor	2½	4
New Mall	4	6
N Redwd	10	12
N Walcoro	*9	11
Nickel Lk	10	14
Nickel O.	250	280
Norbeau	75	85
Norbec	26	30
Norcourt	8	10
Norford	2	4
Normar	1½	2½
North Tr	†50	52
Novell P	3	4
Obalski Old	2	4
Do. '45	10	13
Oklend	5	7
Olivet	1	2
Orofino	8	10
Ortona	3	4
Parquet	..	10
Pascalis	14	17
Payne	†11	13
Pelangio	2	3
Phelps	1½	2½
Pitchore	†54	58
Presdor	1½	2½
Privateer	6	8
Quejo	5	7
Que SR	8	9
Quest	2½	3½
Quyta	10	11
Radiore	†77	80
Rainville	*39	43
Rand Mal	13	16
Rancona	2	3
Raymond	1	2
Redruth	2	4
Redwood	3½	4½
Rhyolite	3	4
Richgroup	9½	11
Russet	3½	4½
Rugged	11	13
Salm Con	48	50
Santiago	14	15
S Dufault	†2	3
Sepha	1½	3
Sheldon	15	17
Silv Arrow	4	6
Silv Lake	7½	9
Skynner	1½	2½
Snow L	3	5
Starlight	1½	2½
Sud Mid	†50	53
Sunbear	3½	4½
Tobico	1½	2½
Vauz Duf	5½	7
Viking	17	21
Wesley	½	1½
Wenga	24	28
West RL	2	4
Wildore	2	3
Y David	11	13
Yelknife	320	..
Do vt	300	..
OILS		
Alberfld	†58	63
Antone	*67	72
Cdn Sup	12½	13
Franco	60	70
Gt Plains	†8½	9
Major Oil	3½	4½
Nw Ranch	*13	15
O Smoky	†120	125
Paige Pet	42	47
Rio Tint	225	250
Verm Con	16	18
Westlock	18	21
West Terr	†38	40

Bond Redemptions

Bond Issues:	Rate	Year	Cal.	Price
*Mtl. Island Pwr. 1st mtge. s.f. ser. A	5½%	1957	Nov. 1	Par

*All outstanding.

Company Meetings

Date	Company	Place
Sep. 11	Rundle Oils	Calgary
Sep. 17	Agnew-Surpass	Brantford, Ont.
Sep. 17	Aluminium Ltd.	Montreal
Sep. 22	Model Oils	Calgary

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FP-62

Newlund in Ore East on 800

Erratic gold values have been found by Newlund Mines in drifting west on the 800-ft. level but good gold values have been found for 90 ft. going east, the management reports.

The main crosscut at the 800-ft. level reached the footwall of the granodiorite dyke by mid-June, 1952, and at that point a well-mineralized quartz stringer pattern was found showing some gold.

Drifting was then continued east and west along the footwall of the dyke and had progressed 610 ft. west and 425 ft. east of the crosscut by Aug. 25.

First ore indications on upper levels were found about 270 ft. west of the main crosscut. At this distance west on the 800-ft. level, a stringer pattern was encountered which has been intermittent to the present face and carrying erratic gold values. Several hundred feet of drifting remains to be done to the west as well as crosscutting and diamond drilling to explore the width of the zone.

The east drift encountered a well-mineralized quartz stringer pattern 280 ft. east of the main crosscut which has carried good gold values for 90 ft. to date. Drifting and crosscutting east and west is continuing.

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"That must take a lot of nickel!"

"It does! International Nickel alone produces over 250 million pounds a year. Last year Inco spent 23 million dollars so that they could produce *more* nickel. It's a good thing we don't have to buy nickel from other countries—because right now a lot of it is needed for equipment for our defense."

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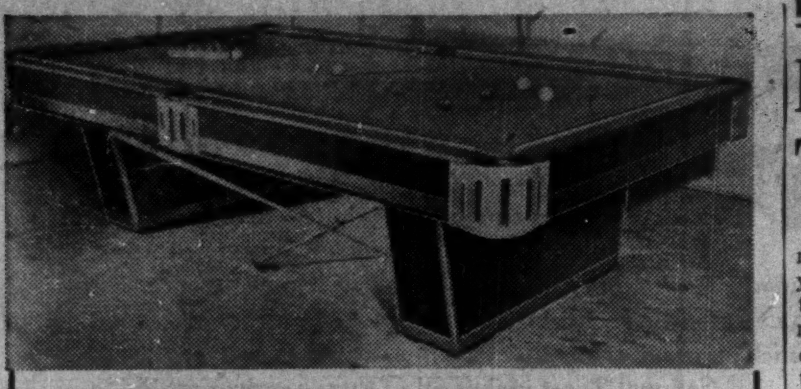

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LONDON CALLING

Despite the Extremists and Communists, Trade Unionists Emphasize Conservatism

LONDON — Once again it is my pleasure to be able to inform you that the British are facing the future with renewed optimism. For one thing, the T.U.C. conference emphasized the truth that there is nothing more solid or conservative than a normal Trade Unionist.

On your behalf I went to Margate-on-Sea to have a look at them and felt that by comparison the Conservative Party would seem frivolously to the Left.

* * *

They stoutly declared their support of rearmament and urged the greatest possible wage restraint. They stated that Trade Unionism had won its place in the life of the nation and that its days of struggle were over. Now it was up to Trade Unionism to show that it recognized its responsibility to the nation as a whole.

I am not pretending that there are no extremists among them, nor can I deny that Communism has eaten its way into some sections, but the overwhelming membership is British, Monarchist, Imperialist and Sensible. No wonder the Westminster Bank opened a temporary branch for the conference and stated that it would cash a cheque on any bank for the delegates.

* * *

Britain is fortunate in having a brilliant Minister of Labor in a political novice — Sir Walter Monckton. He was a successful, soft-spoken barrister who had had great experience as a conciliator. Incidentally, he was personal adviser to King Edward VIII and was loyal to the end. He came into Parliament for the first time in 1951, made only one speech and an indifferent one, yet was appointed Minister of Labor in 1952 by Churchill to the astonishment of everyone.

"It must be a typist's error," said an office-hungry Tory. But it was nothing of the sort. Churchill knew his man. Now Monckton is liked by the Tories, the Socialists, the employers and the workers. You ought to send for him to persuade the French Canadian to vote less solidly for one party. The people of Quebec with their sense of elegance and eloquence would find him très sympathique.

* * *

Aviation Industry Leads In Cause For Confidence

Another cause for British optimism is the astonishing lead that British aeroplane construction has taken in the world. Again on your behalf I went to the display at Farnborough this week and saw among other types a passenger plane that may cross the Atlantic regularly three times a day. Presumably the crew would be changed but the machine would not. In fact Britain leads the world, in aviation, and I saw things with my own eyes which outstripped imagination.

* * *

This determination to win the battle of quality is extending generally through British industry. The easy postwar markets, plus the unfortunate rise of Socialism, brought a decline in British standards of production. Undoubtedly there was a lessening of the old pride of craftsmanship among the workers and a corresponding decline among the employers who took easy profits and forgot about the future. It was not universal but it was widespread.

Now British industry has been forced to face the facts of life and the old spirit is coming back. Aviation has set an example which cannot be too highly valued.

* * *

On the Stock Market there was considerable interest when Banff oil shares were introduced for the first time. They moved up quickly but came back almost as quickly and ended the day lower than they began. It was not a particularly auspicious beginning.

* * *

To balance that, however, Mr. E. C. Scythes of Toronto, who is here in connection with the Canadian Research Cancer Fund, has made a fine impression. He is sincere, modest and coherent — adjectives which apply equally to his wife. It is a tremendous tribute to the generosity and wisdom of Canadians that so huge a sum should have been raised by voluntary subscription.

* * *

Incidentally Mr. Scythes told me an excellent story about Sir Wilfrid Laurier. When Laurier was Prime Minister a salesman tried to sell him one of those early Edison recording phonographs.

"Just think," said the salesman. "You turn this cylinder, you make a speech, then you can turn it back and hear the speech."

Laurier suggested instead that since he played the flute, he would make a record of that. This was duly done and the salesman then played it back.

"Now, Sir Wilfrid," said the salesman triumphantly, "Have you decided?" "Yes," said Sir Wilfrid, "I have decided to sell my flute."

I never heard before that Laurier played that doleful instrument. Frederick the Great did, and so did Dick Swiveller, but Sir Wilfrid must have kept it very secret. At any rate it is an excellent story.

* * *

South Africa's Interest In Higher Price For Gold

When is the price of gold going up? That is almost as big a problem to South Africa as Premier Malan is himself.

There is a growing feeling here that the dead hand of the buried gold in Fort Knox has exerted its spell too long. It is hard to think of any other commodity where price has so lamentably failed to keep step with cost of production. An upward revaluation would do much to ease dollar-sterling trade.

I would imagine that Robert Bryce of Toronto would agree with that. When he was in London as President of the Canadian Chambers of Commerce he spoke very strong and clear, if we may use those words of Lewis Carroll in regard to gold.

* * *

I understand that Anthony Eden, who is back from his honeymoon, is reasonably optimistic about some kind of an oil settlement with Persia. The unhappy Mossadegh has managed to sit himself so firmly on the horns of a dilemma that it reminds one of what Lord Birkenhead once said of a political opponent. "He has sat so long on the fence," said Birkenhead, "that the iron has entered his soul." I imagine that the horns are doing something to Mossadegh.

If he does not come to terms with Britain, his country will go bankrupt and fall into the hands of Communists. If he does come to terms, there will be a revolution and the Communists will win. At least that is what the wise men say.

Admittedly it is hard to see the grounds for Eden's optimism but as I stated at the beginning of these notes there is a feeling of confidence in many directions, and Eden may have been infected by it.

* * *

To our relief cloudy, cool weather has come with September. Those hot, sunny days were beginning to make us rather irritable.

CYRIL J. WOODS

William M. Mercer Limited, Consultants on Pensions and Employee Benefits, announces the appointment of Cyril J. Woods as Actuary in their Toronto Office.

Mr. Woods came to Canada from England in 1939 to join the Maritime Life Assurance Company where he became Actuary and Secretary. He served during the war in the Princess Louise Fusiliers. Mr. Woods has had experience of consulting and insurance company work and is a Fellow both of the Institute of Actuaries and the Society of Actuaries. *

FRANK F. WHITTALL

has been elected president, Continental Can Co. of Canada.

MERRILL ISLAND MINING CORP. has notified the Montreal Curb Market that the Corporation Management has taken down and paid for 100,000 shares at 45c a share. Next option is for 100,000 shares at 45c payable October 15, 1952. At present, 3,043,340 shares are outstanding leaving 956,660 shares in treasury.

There is more than one reason why they say . . .
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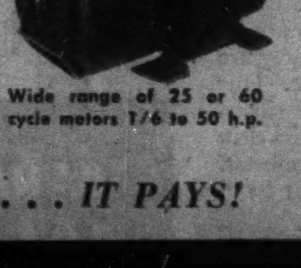

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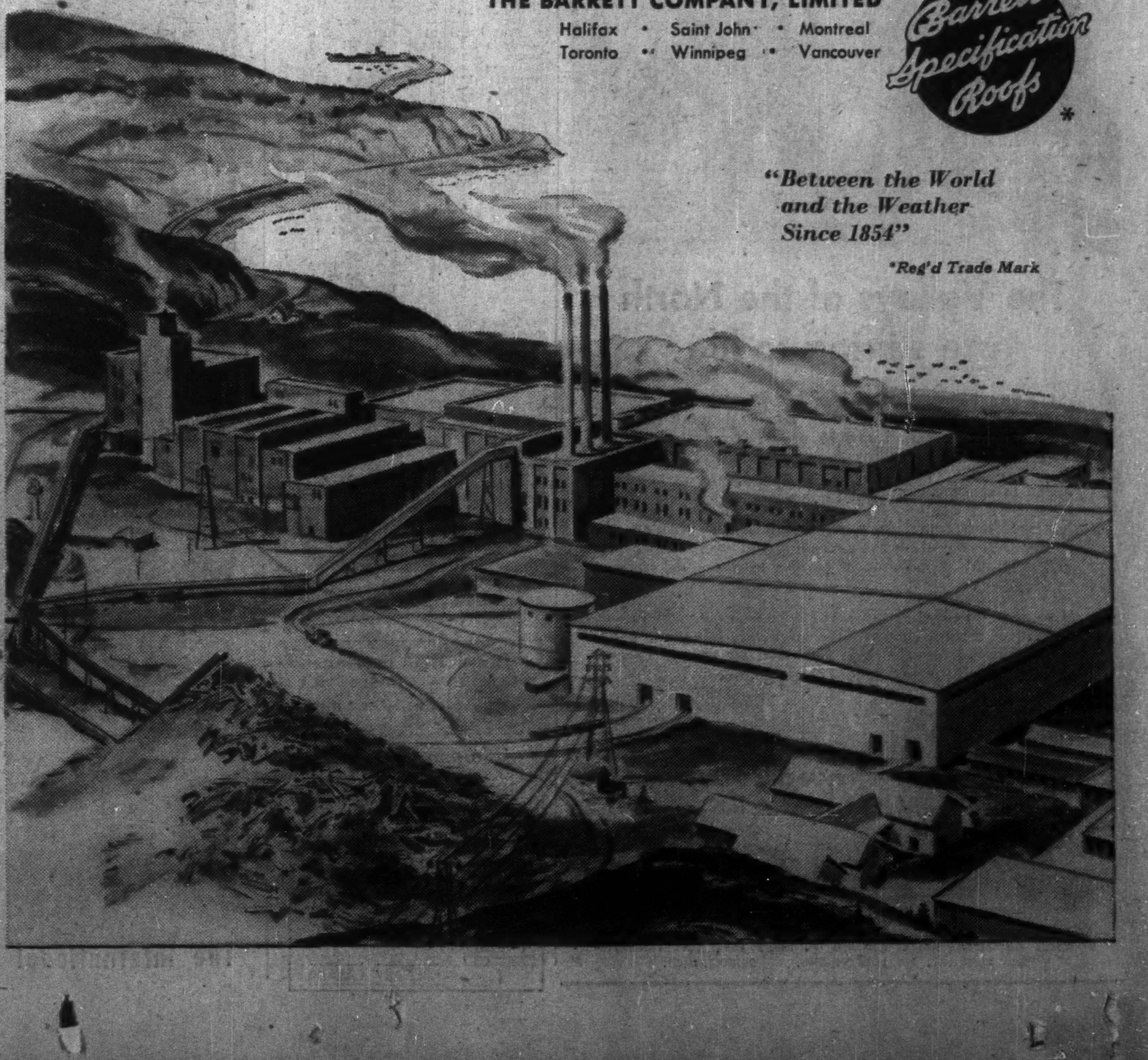

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Our Industrial Giant Gaining in World Weight

More Global Demand Ahead For Canadian Pulp, Paper

By PAUL DEACON

The sage economic judges are declaring this fabulous Canadian boom no race. Pulp and paper is an easy first.

It employs more, pays more wages, produces more and exports more in dollar value than any other Canadian industry. It's one of the world's major industrial enterprises.

The men who think trees do grow dollars if you look hard enough have bet more than half a billion dollars in capital investment since the war on their future.

The same pulp and paper planners—with perhaps a few additions along the route—have plans that could match that whopping figure in new investment within the next four years.

That planning is based on long-term optimism, backed by a latent world demand that could dwarf the clamor for pulp and paper products of the postwar years. Canada has bush aplenty, charted and uncharted, which, under expert forest management, is becoming a more and more important natural world storehouse, while other countries watch potentials peter out.

The clear facts: Consumption of paper products in the U.S. has tripled in two decades; that the trend in per capita as well as total consumption is still up. The stepped up use of paper products domestically is equally impressive. Per capita, Canada uses more pulp and paper than any other country in the world, except United States.

Overseas, the per capita consumption is a quarter of that of the New World. In Asia, of course, there's an even more glittering uncut demand diamond in the rough.

The Hurdles Ahead

All this, however, isn't a prize just for the plucking right now. Obviously there are a good many economic and social hurdles ahead, but it's sound reason enough for comfort that's a little more than theory to back up mammoth moves on the Canadian forest front.

Meanwhile, the great strides made since the 'thirties by our pulp and paper industry are yielding up the kind of boom results that give cause for both comfort and concern, in view of unstable economies in parts of the world. Like many of Canada's rocketing segments of industry, the buoyant pulp and paper people must undergo the ancient but always stringent test of strongly competitive markets.

The pulp and paper industry may be facing just such a test period. After six years of record-breaking production, and a high rate of new investment, markets for some pulp and paper products have somewhat slackened.

Some sections of the industry, notably newsprint, are still experiencing good demand and running at or near capacity. But in many others, companies are out selling. Some have just recently encountered a falloff in business. In other lines, such as boxboard and fine papers, the sellers' market has been over for the best part of a year.

Flooding New Capital

The extent of the expansion in the pulp and paper industry was indicated in a report given earlier this year by President Robert M. Fowler of the Pulp and Paper Association of Canada. Capitalized at about $750 millions in 1945, the industry spent more than $360 millions on expansion between 1946 and 1950, of which $130 millions were for construction and $230 millions for machinery and equipment.

This new investment did not just stop there. On the basis of a survey of existing manufacturers made last year, new investment planned in the industry from mid-1951 to the end of this year (including completions in 1953 but not new starts in that year) totaled $245.5 millions. This was apart entirely from large sums for repairs and maintenance.

Projecting this rate of new investment arithmetically, and adding on expected new investment by new entrants to the pulp and paper field, the new capital invested in the industry in the five years 1951-55 might reach $600 millions, Fowler said.

Although plans can be deferred (a couple have been affected already), such a volume of new investment would be the biggest in any one industry. Fowler cited a few Government estimates of investment plans in other industries over the same 1951-55 period: aluminum smelting, $233 millions; other nonferrous metals, $150 millions; iron ore, $226 millions; chemicals, $127 millions; petroleum and natural gas exploration and development, $300 millions; and transmission and refining, $213 millions.

Production Keeps Pace

The large growth that has already taken place in the industry since the war indicates that pulp and paper is keeping pace with the rapid growth of Canada's economy. Its expansion plans, though they may undergo a "stretch-out," indicate that this basic growth is expected to continue.

Value of the industry's output in 1951 reached an estimated $1.2 billion, compared with $334 millions in 1941 and $175 millions in 1931. Exports last year were valued at $940 millions against $262 millions ten years earlier and $141 millions. The industry total was nearly one-quarter of the $4 billion Canadian exports in 1951, and compares with $550 millions for wheat and flour, and $312 millions for planks and boards.

With such a high level of operations just attained, and a slow-down already under way in many parts of the industry, on what basis is further expansion justified?

The Pulp and Paper Association president had some interesting comments on the long term picture which cast some light on industry thinking in this regard.

"There is one basic fact that distinguishes conditions in this industry today from those that existed 25 years ago. It is the fundamental change that has taken place in the relationship between world demands for pulp and paper and wood resources.

"The demand for cellulose products is today a very different thing from what it was in the 'twenties. There are many new uses for wood fibre, and more are developing daily; rayon, Cellophane, packaging materials, paper milk bottles are a few examples.

"And old and familiar uses are also demanding more; newsprint is a good example of the growth of demand as populations grow and living standards and literacy improve.

Depletion Elsewhere

"With this growth in demand for both new and old uses of wood fibre, all over the world the limits of wood supply have been reached. In many other countries, expansion of pulp and paper production is nearing an end because of lack of additional trees. This is particularly true of the other great exporting areas in Europe and the Scandinavian countries.

"Canada is more fortunate. Although statistics of wood inventories and rates of growth are unfortunately incomplete, everything indicates that the Canadian wood potential is far from exhausted. Government foresters believe that the volume of annual growth exceeds total annual depletion from all causes.

"On lands under lease to the pulp and paper companies, the 1950-51 cut, which was the largest in history, amounted to one-eighth of a cord per acre over the 140,000 square miles under lease. All scientific measurements indicate that the average regrowth is greater than this use together with natural losses from fire, insects and disease on the leased areas.

"To the extent that these losses can be reduced, and to the extent that areas now classed as inaccessible can be economically brought under cultivation, more pulpwood in perpetuity will become available to meet rising domestic and world demands for pulp and paper.

"In other words, I believe that the danger of over-expansion of this industry is very much less than it was 25 years ago because the world is constantly demanding more and more pulp and paper products, and, with wood shortages in other countries, the world must turn to Canada for an increasing percentage of this increasing demand, Canada has a relatively greater place in a much larger picture."

Demand of the Future

How big will be this growth in demand? Elliott Little, president of Anglo-Canadian Pulp & Paper Mills Ltd. and Anglo-Newfoundland Development Co., made a prediction in June this year as to the long-term North American consumption trend.

Little pointed out that in 1900, total consumption of paper products in the United States was 2 million tons; in 1925, 10 million; in 1950, 29 million; in 1951, 31 million.

"I estimate U.S. consumption in 1975 will be 48 million tons. When we combine U.S. consumption with that of Canada, the consumption of those two countries by 1975 could easily be between 50 million and 55 million tons of paper products," he said.

"These forecasts are based on a continuation of the growth trend in population and of per capita consumption, and they do not take into account the increasing dependence of other countries in the world on North America as a supply source for the rising needs of those countries, due to their economic development and to a rising standard of education and literacy."

Growth in the next 25 years will not necessarily continue in exactly the same way it has in the past, Little pointed out. "Some of the older type of products, including newsprint, may grow at a relatively slower rate than many of the newer paper products, and we will need to give careful study to the growth trends in different qualities to be sure that each quality or grade is given its proper emphasis."

The growth won't be continuously uniform, either, he added. It will vary with the rise and fall in the general business level.

The markets for Canadian pulp and paper are expected to grow outside this continent also. U.S. consumption last year was estimated to be 68% of the world total, with the per capita use reaching 390 lb. compared with 282 lb. as recently as 1945 and 145 in 1920.

France uses about 70 lb. per capita, Russia 10 lb., China 2 lb. Latest estimate for Canada is about 260 lb., second highest in the world. The Canadian figure is probably larger than that if you consider the large amount of imported paper consumed in this country not tabulated because it comes in in the form of books, magazines, packaging material for manufactured goods, etc.

More Business for Canada

Per capita use in overseas markets isn't likely to attain either the U.S. or Canadian level tomorrow or the day after, but demand seems certain to continue upward, and that should mean more business for Canada.

In this connection, Elliott Little suggested that as world demand for paper increases and wood becomes less and less available to meet the growing needs, the normal force of economics may tend to reduce tariff barriers against finished paper products. "There will be an increasing trend toward integration of operations and more tendency to the manufacture of finished products in Canada for both a growing Canadian market and for other markets in the world."

Along what lines has the industry been expanding? The many phases of the industry are discussed in more detail elsewhere in this issue, but here's a brief review of the production growth of the main grades of paper and pulp produced in this country.

Paper

Newsprint—Accounted for 56% of all pulp and paper produced in Canada in 1951. Rated capacity of the industry in 1952 is 5,510,397 tons, with actual output expected to hit 5,690,000. This rated capacity is 19%, greater than the comparable 1946 rating of 4,640,944 tons; the production increase will amount to 32%. About 85% is going to the U.S., 8% to other export markets this year.

Demand remains strong, with most of the increase in production going to meet overseas orders. Shipments to Canadian and U.S. users have been running slightly ahead of last year (up 1.3% and 1%, respectively, in first seven months). New York delivered price of Canadian newsprint raised to $126 (US) a ton June 15 (formerly $116).

Book and Writing Papers—Production of book and writing papers totaled 243,000 tons in 1951 (214,000 in 1950, 189,000 in 1946). Business has been off this year, due mainly to high inventories built up by consumers in busy 1950 and first half of 1951. Prices have been steady throughout the year. Manufacturers say there are some signs of more normal inventory levels in the hands of their immediate customers, which could mean some revival of demand toward the end of the year. Markets are mainly domestic in this field, with exports last year totaling 29,000 tons.

Paperboard—Output reached 755,000 tons in 1951 (712,000 in 1950, 589,000 in 1946). Business has been down this year, particularly among the boxboard grades. First half (482,000) to the end of July, reflecting to a production of paperboard totaled 346,000 against 380,000 in the comparable 1951 period. Container grades were off only 7,000 tons, or 4%; boxboard grades 27,000 tons or 14%. Producers say seasonal factor now returning to paperboard market, with some upturn in business noted late in the summer. Exports (88,000 tons in 1951) were lower than a year ago, but considerably ahead of 1950 level.

Wrapping Paper—Marketed almost entirely in Canada, 1951 production totaled 262,000 tons (219,000 in 1950, 175,000 in 1946). Demand this year has been good, but output has been running somewhat below last year.

Specialty Papers—Output of tissue, special industrial and coated papers in 1951 reached 123,000 tons (105,000 in 1950). Exports last year totaled 8,000 tons. Demand this year down, although still at a good level.

Building Paper and Board—Production totaled 217,000 tons (184,000 in 1950 and 135,000 in 1946), of which 9,000 were exported. Output so far this year reported somewhat below 1951 levels.

Pulp

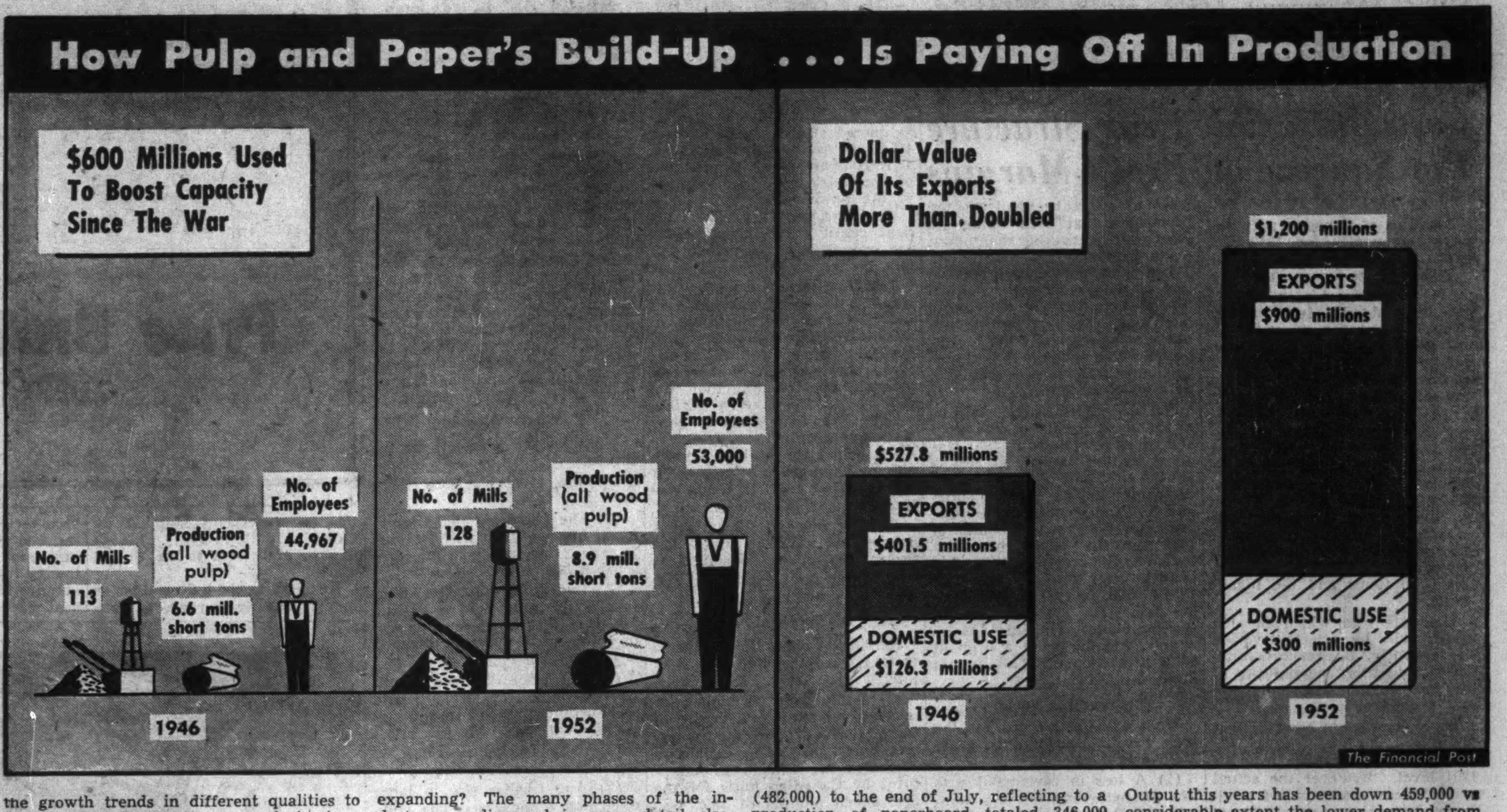
Groundwood—Production of mechanical pulp reached 5,124,000 tons in 1951 (4,864,000 in 1950, 4 millions in 1946). Volume has been off slightly so far this year (2,983,000 vs 2,985,000 in first 7 months) due to a drop in exports (145,000 vs 183,000). Domestic use was higher due mainly to increased newsprint production, for which groundwood is the main raw material. Price of Canadian groundwood in U.S. has dropped about $20 a ton since beginning of the year.

Sulphite, Bleached—Tonnage produced in 1951 totaled 844,000 (764,000 in 1950, 617,000 in 1946), of which 609,000 was exported. Output this years has been down 459,000 vs considerable extent the lower demand from the textile industry for dissolving grade used in making rayon and acetate. Paper grades are selling in the U.S. around $140-$150 a ton in third quarter against $160-$175 in first quarter, with demand also off from a year ago. About 75% exported, mainly to the U.S.

Sulphite, Unbleached—Production in 1951 was 1,690,000 tons (1,436,000 in 1950, 1,213,000 in 1946). Volume in first seven months this year off at 969,000 (974,000 a year earlier). Domestic use is up, reflecting higher newsprint production, but exports were 44,000 lower up to the end of July. Market pulp selling around $140 a ton in third quarter, down $10-$20 a ton from first half prices. About 30% is being exported.

Kraft, Bleached — Production in 1951 reached 557,000 tons (450,000 in 1950, less than 200,000 in 1946). Seven months' total this year is up 12,000 tons, all through higher exports. Canadian bleached kraft, nearly 90% of which is exported, is selling around $155 a ton in U.S. in the third quarter compared with $190-$200 in the first half.

Kraft, Unbleached—Output reached a record 656,000 tons in 1951 (595,000 in 1950, less than 400,000 in 1946). Domestic use has been close to the 1951 level so far this year, but export business has dropped off sharply in recent months, July volume being 63% below the comparable 1951 month. Exports were more than one-third of total output in 1951 or about 227,000 tons. In first seven months, exports were only 90,000, compared with 326,000 tons produced. Third quarter prices for Canadian unbleached kraft in U.S. are $100-$135, depending on the grade, against $135-$170 in second quarter and $145-$175 prior to that time.



How Industry Has Grown

Here's the growth of the pulp and paper industry over the last 81 years:

	Pulp and Paper Mills	Total Employees	Total Production
1871	21	760	$ 1,071,651
1881	41	1,588	2,509,993
1891	58	2,817	3,633,257
1901	53	6,236	8,627,557
1911	72	9,766	23,226,479
1921	100	24,619	151,003,165
1931	103	26,669	174,733,954
1941	106	37,154	334,726,175
1945	109	39,996	398,804,515
1946	113	44,967	527,814,916
1947	115	49,946	706,971,628
1948	117	51,924	825,857,664
1949	123	52,050	836,107,697
1950	123	52,343	954,137,651
1951 (est.)	125	52,600	1,200,000,000
1952 (est.)	128	53,000	1,200,000,000

How Pulp and Paper Gets the Most Out of Wood

Research and Mill Changes Are Big Conservation Factors

Pulp and paper takes only about 8% of all the wood cut in the world each year. But demand is growing. What's being done should be done to guarantee future wood supplies? Dr. Lincoln R. Thiesmeyer, president of the Pulp & Paper Research Institute of Canada, discusses this question in the accompanying paper, delivered at the Sixth British Commonwealth Forestry Conference in Ottawa this summer.

By DR. L. R. THIESMEYER

President, Pulp & Paper Research Institute of Canada

Technical advances in pulp and paper manufacturing during the past half century have had an impact on the forest that can be measured in billions — of trees, cords, tons, pounds sterling or dollars. If that were not so, this paper would have no place on the program of such a significant conference. The figure is large, even for these days when national budgets appear to be headed for the "megazillions." Yet it is well to view the mere billions in proper perspective, painful as the statistical exercise may be. Before considering the nature and effect of some of those technical advances, one should therefore look at the **relative** drain upon the wood resources of the world from the growth and improvement of pulp and paper production.

Inventories of forested areas are far from complete, and figures on utilization in many places must still be "guesstimates." Nevertheless one can deal in approximate orders of magnitude at least —and they will do for the present purpose. The world production of roundwood in 1949 was estimated at nearly one and a half million cubic metres, or about a billion metric tons. Fifty-seven per cent of this was burned as fuel, 12% was used for pit props and railroad ties or as a source of extractives such as wood alcohol, 23% went to the sawmills of the lumber operators, and only 8% or 80 million metric tons was fed through the digesters and grinders of the pulp and paper industry. Again, this is a total that cannot be dismissed lightly. Yet it was only one thousandth or less of the tonnage of wood growing at that time on the forested areas of the earth. Moreover, one must remember that fire, insects and disease have annually taken a toll on the forests that has, in Canada at least, far exceeded the cut for pulpwood, and that the maturation and decay of wood in inaccessible regions probably was well in excess of the total cut for all purposes. Also, there is the encouraging fact that in Canada and in many other parts of the world, particularly in the tropics and subtropics, the annual increment of growth of new fibre added to the standing trees has consistently been above the annual removal for the purposes of mankind.

Thus it is seen that the total consumption of wood for the pulp and paper industry, growing spectacularly as it has over the past 50 years under the stimulus of improved living standards and the technological advances they engendered, has been but a minor fraction of the world's wood supply. One should emphasize, in passing, that this relatively small amount has had a profound impact on the advance of civilization and the spread of culture. Without paper, commerce would revert to its status in the days of hieroglyphics on stone tablets, and the mass education of our most vigorous nations would wither. Without paperboard and plastics, photographic film and rayon the western world would be quite a different place. In short, one may say that relatively minute differences in man's use of the fabulous fibre resources with which he is surrounded have had tremendous consequences on his evolution from savagery to the beginnings of a scientific mastery of his environment. Therefore the body of this paper deals with only a small but tremendously **important** segment of the whole forest harvest.

Speeding Up of Paper Machines

In the early years of this century papermaking was still regarded as an art. Machine speeds were slow; wood was plentiful. World War I brought a revolution in paper manufacturing. The demand rose rapidly and engineers began to apply the simple principles of mechanics, hydraulics and dynamics to existing machines. Larger ones, based on the same designs that had been used for a century, were built. The Fourdrinier wire sped faster and faster until today it travels 1,800 feet per minute at one mill in Quebec, and speeds of 1,100 to 1,500 are common for newsprint machines in Canada. The pressure for ever greater production is still on, and technologists speak now of 2,000 to 2,500 feet without much change in existing equipment. It is believed by some that much higher speeds may be achieved when some bold adventurer regards present equipment as long since obsolete and sets about to develop a completely new way of making paper.

Acceleration of the newsprint process has made possible a five-fold increase in the consumption of that commodity by the United States since 1915. When Canada took over the dominant world position as its source, production in this country rose to 10 times its amount in the days before the Hun tramped across Belgium. This has entailed withdrawal of several million cords each year from the softwood forests of Canada, a depletion that is already being reduced as research finds ways to utilize other species for newsprint and consumer specifications are changed to accept the new product.

Except for most specialty grades that generally still require slow rates of manufacturing, the same kind of mechanical improvements have been applied to machines making many varieties of packaging papers and boards. The effect on **increased** utilization of the forest has been the same but perhaps less obvious. And what has happened in these respects in Canada, has, of course, occurred also in all of the major paper producing nations.

Alkaline Cooking

As long as production of chemical pulp was restricted to the acid sulphite process, only a limited range of softwoods could be processed and **proper** utilization of the forests was difficult. Introduction of kraft and soda cooking opened vast new markets for packaging materials and greatly increased the number of species that could be chipped for pulp and paper. In the United States it brought about a southward shift of the industry of enormous proportions so that now some 60 mills in the southern states are consuming annually over 10 million cords of southern pine.

The recovery of chemicals from kraft pulping has been placed on a continuous instead of a cumbersome batch basis; solids from the liquors can now be used as fuel to power a good deal of the process; techniques for bleaching kraft pulp to satisfactory degrees of whiteness so that it is an acceptable substitute for sulphite in many uses have been worked out. Consequently the new mills of today are chiefly alkaline mills, and the production of kraft on this continent is now several times as great as that of sulphite at V-J Day.

Use of some of the waste liquors from the alkaline process in the production of plastics and vanillin and development of dissolving pulps from hardwoods through prehydrolysis and kraft cooking are recent advantages from research that are already having far-reaching effects on forest utilization, both as to quantity and quality of that utilization. Thirty years ago little hardwood was used for pulp and paper. But increased proportions of hardwood species are going up the jackladder.

The key to successful cooking of mixed species in all chemical process is complete penetration of all the units in the digester charge to ensure more uniform digestion. This has been found in a pretreatment technique which is now being applied at the mill scale in several types of chemical pulp production. Its successful introduction at many mills will have most salutary effects on forest conservation, both by in-

(Continued on page 45)

The Outlook for Pulp, Paper Stocks

Results For Eight Companies, 1951 and First Half 1952

Company	Net Profit for All 1951 $	Net Profit for First Half, 1951 $	Net Profit for First Half, 1952 $	First Half 1952 Net		Class of Stock	Earned per Share†					Recent Price Times Earnings	
				To All 1951 %	Change From First Half, 1951 %		All 1951 $	First Half 1951 $	First Half 1952 $	Twice 1952 Half* $	Recent Price per Share $	All 1951	Prospective 1952
Abitibi P. & P.	12,997,877	5,441,158	4,404,055	33.9	—19.1	Com.	3.07	1.25	.97	1.84	15⅜	5.0	8.4
Bathurst P. & P.	3,485,927	1,518,313	1,028,383	29.5	—32.3	Class A	8.71‡	3.80‡	2.57‡	5.14	46	5.3	9.0
Consolidated Paper	12,905,574	5,926,087	5,417,077	42.0	—8.6	Com.	5.03	2.11	2.31	4.62	35¼	7.0	7.6
Donohue Bros.	905,286	428,160	296,533	32.7	—30.7	Com.	3.02	1.43	.99	1.98	15½	5.2	7.8
Fraser Cos.	5,433,663	3,067,844	2,478,626	45.6	—19.2	Com.	2.40	1.35	1.10	2.20	17⅜	7.2	7.9
Great Lakes Paper	4,734,494	2,039,518	1,429,077	30.2	—29.9	Com.	3.68	1.51	1.07	2.14	18	4.9	8.4
Powell River Co.	9,680,479	3,650,933	4,245,914	43.9	—14.0	Com.	2.30	1.05	.87	1.74	22½	9.8	12.9
St. Lawrence Corp.	9,247,477	3,977,786	3,112,958	33.7	—21.7	Com.	7.90	3.61	2.82	5.64	36	4.6	6.4

†Adjusted for any stock splits.

*This result will not necessarily follow.

‡Before participation.

Costs, Inflexible Price Structure Put Squeeze on Profit Margins

By JAMES H. JOYCE

Earnings of Canada's pulp and paper companies for 1952 will probably be lower than in 1951. This is due to two main factors:

(1) The impact of a drop in the demand for all types of pulp. The demand for newsprint is sufficient to take all that is produced so that the volume of newsprint sales will not be down.

(2) Profit margins are being squeezed. The industry at large is caught between rising costs and a price structure which is not as flexible as it would like. Pulp prices are all lower than at the first of this year while the increase in the price of newsprint was insufficient to cover the loss in the premium on U.S. funds and the higher costs.

The extent to which the net profits will be affected varies. Consequently, no general statement as to profit possibilities of the industry for 1951 would present a good picture.

There is no doubt however that for the group as a whole the net profit will be down from its 1951 level. However the actual percentage decrease in net profit for individual companies will depend to a great extent on the proportion that each company's sales of products other than newsprint bears to its total sales. Those with the highest proportion of pulp sales will be down the most. In striking contrast to last year, the best results are likely to be shown by those companies which have the largest proportion of total sales represented by sales of newsprint.

An indication of what could be expected of profits of the pulp and paper companies in 1951 was given by the announced results for the first half of 1952 of eight companies issuing interim statements. The combined total net profit for the first six months of 1952 for the eight companies shown in the accompanying table is 14% lower than for the same 1951 period. As will be seen from the table, the actual results of the individual companies varies widely, ranging from a drop of 8.6% to a drop of 32.3% in net profit for the half year.

Unfavorable Factors

What are the reasons for the poor results shown this year? Main ones are:

(1) A loss in revenue due to the strengthening of the Canadian dollar vis-à-vis the U. S. dollar. The U. S. dollar is currently quoted at a discount of over 4% as against the Canadian dollar. This compares with a premium of over 5½% a year ago. As most of the products are sold for a U. S. dollar price this affects the final result when the proceeds are converted to Canadian dollars.

Just how serious a matter this was for the companies was well illustrated by the statement of D. W. Ambridge, president and general manager of Abitibi Power & Paper Co. at the company's annual meeting that "On July 1, 1951 we were getting $123.40 Canadian funds in New York for a ton of newsprint. On April 4, 1952 we received $113.39, although the price of newsprint in New York in U. S. funds was the same ($116) on both dates."

(2) The demand for pulp has dropped off with the result that prices are down substantially.

(3) Other costs e.g. freight and labor costs are also higher.

On the Good Side

Helping to offset these adverse factors were the following factors:

(1) Production was higher for some companies as a result of completion of plant modernization, speed up and/or expansion programs. Production of newsprint by Canadian mills for the first seven months of 1952 was up 3.4% from the comparable 1951 figure (3,309,444 tons vs. 3,201,140 tons).

(2) The price of newsprint was increased by $10 a ton to amount to $126 per ton (U. S.) last June. This increase, it was stated, only partially offset the loss of the premium on U. S. funds.

(3) Companies with a head office in Ontario will pay 2% less corporation income tax if the recently announced Ontario-federal tax agreement is ratified. Actual benefits from this will depend on the degree to which logging profits and the tax on them affect company results.

What's Ahead?

What are the prospects for the future?

On the favorable side there are:

(1) The likelihood that the demand for newsprint will continue to exceed the supply in the foreseeable future.

(2) Indications that the situation in the pulp field is a little healthier. Just how soon this will be reflected in prices or demand is not yet known.

(3) The price of newsprint at New York will be up $10 a ton.

Affecting the net profit adversely will be:

(1) Any further increase in the discount on U. S. funds.

(2) Any further rise in labor costs and other costs. The companies' negotiations with their mill labor are still in progress and negotiations with the woods labor are just starting. In view of the pattern set by the settlement in the steel industry it would seem likely that pulp and paper workers would get some increase.

Over a longer term three other factors should benefit the companies. They are:

(1) Effect of the large amount of new money currently being invested in plant and equipment by the industry. New investment by the industry from mid-1951 to the end of this year, including completions in 1953 but not new starts in 1953, were estimated to total $245½ millions on the basis of a 1951 survey. This was entirely apart from large amounts being spent on repairs and maintenance.

(2) Benefits of research programs.

(3) The long term outlook for newsprint demand appears good.

The pulp and paper companies have greatly improved their financial position since pre-war and most are in a fairly strong financial and plant position.

The combined working capital of 22 pulp and paper companies at the end of 1950 was over 3.1 times as large as at the end of 1940 ($245.6 millions vs. $78.2 millions) after a substantial investment ($232.5 millions) in plant, property and equipment in the period, over 73% of which occurred in the last five years. Further the financial position of the industry was considerably improved again in 1951.

According to a study by The Financial Post of 19 pulp and paper companies, net working capital increased a further 3.9% during 1951 while net worth of the companies improved 13.1% in the year.

Further the 22 companies in the bank's study reduced their funded debt outstanding nearly 30% as between the end of 1940 and the end of 1950 (from $188.2 millions to $127.7 millions). The debt is now at its lowest level for many years. Preferred stock outstanding was reduced slightly (from $75.1 millions to $73.4 millions) in the same period. Common stock outstanding for these 22 companies was increased from $98.8 millions to $105.6 millions and earned surplus and surplus reserves was increased from $63.7 millions to 269.4 millions.

The poor results this year have been reflected in the price action of the securities of the pulp and paper companies. This is well illustrated by a comparison of the current prices with the price range for 1951 for the nine companies shown in the accompanying price trend table.

The pattern of prices of pulp and paper companies' stocks has in the past moved in a wider pendulum than the industrial averages and is likely to continue to do so in the future. However in view of the strong financial position — both in respect to working capital and capital structure — of the industry and in view of the better diversification of production of some companies, pulp and paper companies' stocks are likely to have a wider public acceptance than heretofore.

U. S. Influence

Prosperity of the Canadian pulp and paper industry is closely tied to the business trend in the United States which is the principal market for its products. For example, out of the 5,503,511 tons of newsprint shipped by Canadian mills in 1951, 4,783,549 tons or 87% went to the United States.

Historically, the pulp and paper industry has been regarded as a "prosperity industry." However, the fact that the companies are in a much stronger financial position and that the common stocks, at current prices are valuing current earnings on a fairly conservative basis are strong points for investors in these securities. With the financial improvement which the industry has achieved since pre-war the common shareholder's equity in total capitalization has increased to a point where leverage has been substantially reduced. Whether these factors will mean a more stable market action for pulp and paper securities remain to be seen.

Pulp and Paper Securities' Trends

Extent of market fluctuations in pulp and paper securities is indicated by the following table:

	1952 August 27 $	1951 H. $	1951 L.	1950 H. $	1950 L.	1947 H. $	1947 L.	1946 H. $	1946 L.	1942 H. $	1942 L.	1939 H. $	1939 L.	1937 High
Abitibi	15⅜	22¼*	16⅜*	45½	21⅛	21⅜	14¼	22¾	14	..	..	..	..	...
Bathurst A	46	55	40	42½	24⅝	22¾	19	24¾	18	14½	10⅜	15½	4¾	24
Cons. Paper	35¼	43½	32¼	34	17⅞	21⅝	14½	23¼	15½	3⅜	1½	9⅛	2⅝	24½
Donnacona	25	33	24	30	15⅞	27	14¾	24	15	5	2	10⅞	2	19½
Fraser Cos.	17⅜†	63½*	38½*	40¼*	24½*	58½‡	42‡	75‡	43‡	13‡	7‡	22‡	5‡	50‡
Howard Smith	20½*	26½*	22¼*	70¾	34¾	32	23	33	26	14	8	22¼	8½	34½
Powell River	22½*	30*	24*	64¾	42½	44¾	33⅝	36¾	28	..	..	..	..	..
Price Bros.	32*	36⅞*	27½*	29¼*	25*	70	50⅝	73½	45	11	6	24	6½	48½
Minn. & Ont.	24¾	34¾	25⅞	26½	17½	24¾	15⅜	27¼	16	..	..	..	..	..

*New stock, after split.

‡Old stock, after split.

†Split again.

N.B.—Fraser Cos. split 2-for-1 at end of 1948 and again 3-for-1 in 1952.
Abitibi P. & P. stock split 3-for-1 in 1951.
Price Bros. stock split 4-for-1 late in 1950.

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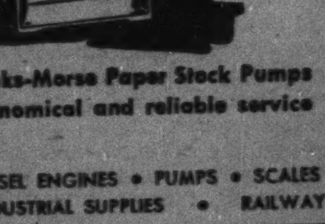

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Where and How in B.C.'s Forest Boom

New Confidence Backs Multi-Million Expansion

Cheap waterpower, abundant forest resources, tidewater outlets, these make British Columbia's pulp and paper industry a tough one to beat. Here's how the West Coast industry is going about wider utilization of this rich natural heritage and the bright long-term outlook it's bringing.

A market slump and labor turmoil in the forest and construction industries during the past summer have tended to take some of the brightness from the pulp and paper picture in British Columbia. But expansion continues, and west coast operators are confident that the unusually large investments made in mills and equipment recently will be more than justified.

It is realized that there have been temporary recessions in the pulp market before, usually for brief periods, and it is generally assumed by leading figures in the B. C. industry that world trade conditions will soon bring about a substantial recovery in demand and price.

So far as the long-term picture is concerned, the happy combination of cheap waterpower, abundant forest resources and economical access to markets by tidewater outlets, which British Columbia possesses, is a tough one to beat. There may be ups and downs, but in view of the increasingly important place that cellulose products are assuming in today's economy there is no doubt that the market trend over the years will be upward.

After the last few years of uninterrupted growth, British Columbia's pulp and paper industry was probably due for the slight pause in activity that occurred during the summer. Not that anyone welcomed a decline in pulp and paper demand or a falling off in prices, but it was obvious to everyone that the boom couldn't go on forever at its terrific pace.

Effect of the Strike

The world market affected the mills and in some cases curbed their production, and the rising premium on the Canadian dollar in terms of U. S. currency was another deterrent, but of more direct influence on the west coast industry was the strike in the forest operations and in the construction field.

The forest industry strike affected all the logging camps, sawmills, plywood and shingle plants on the coast and it lasted 45 days, at an over-all cost variously estimated at up to $150 millions. Most of this loss was borne, of course, by the men whose payrolls stopped and by the loss of sale for lumber, plywood and shingles during the period of the strike.

In most cases, the pulp mills had been able to collect a substantial inventory of pulpwood logs before the strike, because the early months of the year had been exceedingly favorable for logging, but nowadays there is such a closely integrated relationship between logging camp and sawmill and pulp mill that it is impossible to cripple one without harming the other.

Thus, some pulp mills were unable to operate because they ran out of the supply of chips that customarily were produced for them at sawmills.

In other cases, they were forced to curtail because the supply of new logs from the wood camps dried up. A few years ago such a strike would not have seriously affected the major pulp producers because they were in relatively isolated locations such as at Ocean Falls and Port Alice and Powell River and Woodfibre. But nowadays at places like Port Alberni the pulp mill is a part of the whole forest industry setup and not easily separated.

Then there's the case of the Harmac mill, which depends mainly for its supply of raw material on other MacMillan & Bloedel wood-processing mills, and the kraft mill of Howe Sound Co. at Port Mellon, which cannot produce much pulp without chips barged from its parent company's sawmill at Eburne, near Vancouver.

The strike that caused almost as much if not more trouble for the industry was that of carpenters and other construction labor, which continued into August. This tieup slowed work at nearly every pulp-paper centre in the province, notably at places like Powell River, engaged in a multimillion-dollar expansion; at Harmac, where the bleached sulphate mill is being doubled in size; at Port Alice, where the mill is being modernized; at Port Mellon, where a $7 million enlargement program is under way. Labor turmoil, indeed, has been extremely harmful to the whole economy of the west coast during the past summer.

New Newsprint Mill

But the pulp and paper industry has had reason to be pretty proud of itself during the moments when it wasn't worried over strikes and market complications. One of the main sources of pride was the fine new newsprint mill of the Elk Falls Co. at Duncan Bay, near the mouth of the Campbell River. This mill, first newsprint producer to be built in Canada in 15 years, went into operation early in the summer after a record-breaking construction effort, and it will be formally opened Sept. 15, with appropriate ceremony.

This $21 million enterprise is interesting from many standpoints. First of all, it represents a partnership of two companies which had individual problems on their hands which they have succeeded in solving through united control of a newsprint mill.

Canadian Western Lumber Co., whose president, H. J. Mackin, is also president of the Elk Falls Co., sought a profitable outlet for the increasing volume of small timber and sawmill waste which its original logging operations were producing on Vancouver Island and at Fraser Mills on the Fraser River.

Pacific Mills, which has been producing pulp and paper up the coast for some 40 years, was anxious to increase its newsprint production and find a location that would provide more room for expansion than its present base at Ocean Falls.

Canadian Western contributed the timber and the knowledge of forest operation, and Pacific Mills threw in its technical experience in pulpmill management. The result is one of the most efficient newsprint mills in the world, and certainly the most modern.

Designed by Howard Simons, who also engineered the two MacMillan and Bloedel kraft pulp mills, the Elk Falls operation produces 240 tons of newsprint daily and will eventually produce much more than that. It is equipped with a 284 inch Dominion Engineering Co. machine—one of the world's fastest, with a design speed of 2,000 feet per minute. To maintain production, the mill will digest 600,000 cords of pulpwood annually.

Hydraulic barkers which throw such a blast of water at logs that they skin off the bark in a matter of seconds have become standard equipment on the west coast, although they were a novelty only a few years ago. So Elk Falls has such a barker, and the pulpwood, cut to length by giant 102 inch headsaws, passes over a 1,000 foot flume to the groundwood mill where Waterous grinders of latest design are the dominant feature.

Using Up Waste

One of the cheerful features of the Elk Falls enterprise is that most of its pulpwood during at least its first 20 years of operation will be material that otherwise would be wasted. It consists of cull logs and small wood left behind in the forest after the primary saw-log operations have been finished, and slabs of other waste from sawmills and plywood mills that used to be burned as refuse.

It is symbolic of the times in British Columbia and proof of the greater utilization that has been accomplished that one of the biggest sawmills in the Vancouver area has never used a giant burner built at considerable cost two years ago.

"We hope we never use it," said the chief executive of this company. "What would have been burned in it and lost to industry is now going into the manufacture of pulp chips. It makes the forest go farther, it adds to our profits and keeps more men working at good wages."

Harold S. Foley, president of Powell River Co., had something to say on this subject recently.

"Complete utilization of the forest crop leads naturally to integration of forest industry," he said, "a situation where the logging camp, the sawmill and the pulp and paper mill are complementary to one another. They are units in a chain of economic usage of the forest. This leads to diversification in a firm or group of firms working together to make the best possible use of these natural resources which are its raw material.

"The pulp and paper industry on the Pacific Coast, particularly in British Columbia, has provided much of the stimulus for this trend toward complete utilization and the consequent integration of forest units. A number of factors helped the pulp and paper industry to assume this leadership—a combination of economic conditions forced log and mill costs to new highs so that small wood became more valuable than ever before. The market was good and there was a demand for every ton of pulp."

Installation of hydraulic barkers, which have already been mentioned, and of chipping plants, helped to reduce the cost of producing pulpable material from logs previously discarded.

Mr. Foley's own company is a good example of the trend he discussed. It was among the first to install whole log hydraulic barkers and chippers and it advanced along the road of industry integration a year or so ago when it purchased, at a cost of some $9 millions, the holdings of B. C. Manufacturing Co. with its sawmills and logging camps at Salmon River. Good saw logs produced by Powell River's other operations will go to the sawmills, and the logs more suitable for pulp will be diverted from the sawmills to Powell River for pulping.

A similar policy is being followed by Alaska Pine & Cellulose, Ltd., now a member of the coast-to-coast Abitibi family, because the A P company, headed by the Koerner brothers, formerly of Czechoslovakia, originally operated only sawmills on the Fraser River and at Cowichan Lake on Vancouver Island. The pulp mills at Woodfibre and Port Alice which the Koerners in partnership with Abitibi Power & Paper Co. bought from the B. C. Pulp & Paper Co. provided the needed units for complete integration and utilization of the basic raw resource.

Similar circumstances influenced Canadian Forest Products, headed by another Czechoslovak family, in adding a pulp mill (Howe Sound Co. at Port Mellon, formerly owned by Sorg Pulp Co.) to its string of sawmills, shingle mills and plywood plants.

Government Policy

One of the interesting fields for speculation on the west coast these days is what the new Social Credit government may attempt to do with the forest management program initiated by the coalition government several years ago and which has now won substantial acceptance by the industry although criticized bitterly in some quarters.

For the big companies operating in a relatively remote field such as Columbia Cellulose Co. at Prince Rupert, there was general agreement when the provincial government granted a license holding a vast area of forest in reserve for the company in perpetuity.

It so happened that Columbia's application didn't conflict with anyone else's because no one else had planned a major forest industry in that part of the province. But there were protests when Canadian Western sought a license to provide wood for the Elk Falls mill in a region more actively developed by other loggers, and they were silenced only when the company and the government explained that mature timber would not be touched at all and that the license would control only new growth timber in and after 1974.

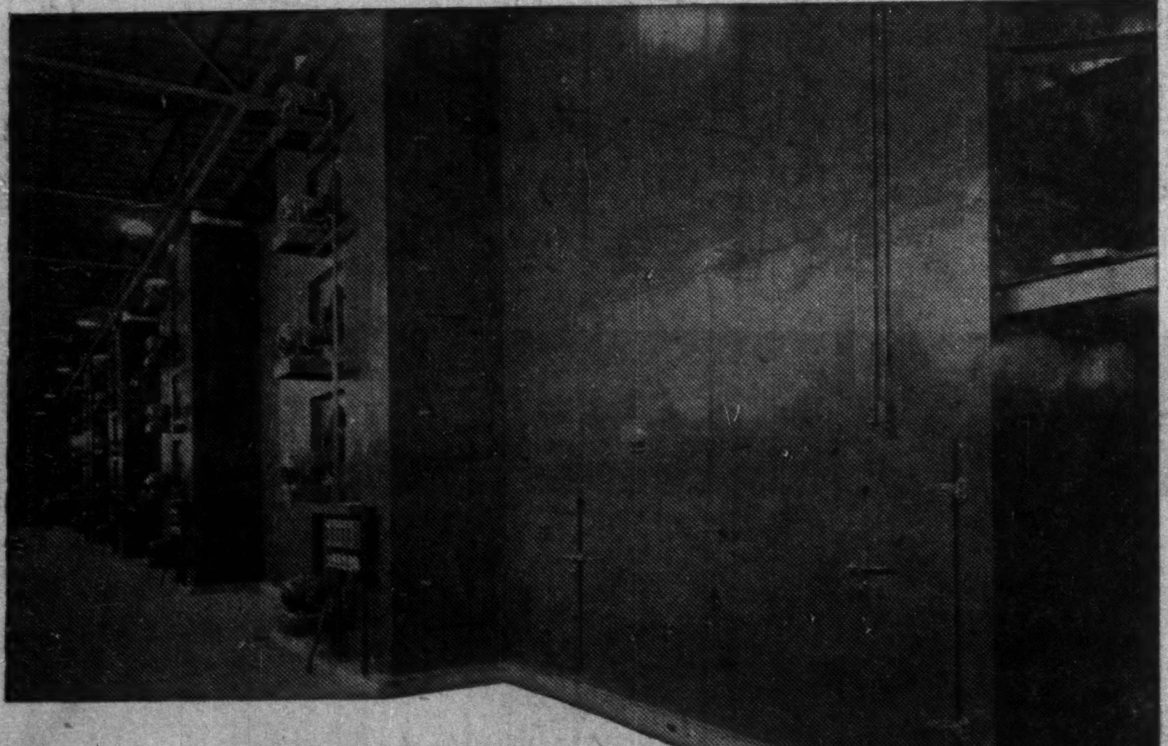
There was also some friction when the East Asiatic Co., headed by Prince Axel of Denmark, sought a forest license on the west coast of Vancouver Island against the combined opposition of several big, established milling companies; so much friction, in fact, that the government rejected the bid.

Most of the grievance against the forest management policy has been that it tends, over the years, to increase the control over wide areas of timber by large, well financed companies at the expense of the small operators who are gradually squeezed out.

The government's answer to that is that there will always be plenty of room for the small operator in a province whose

(Continued on page 40)

it's the talk
of the industry



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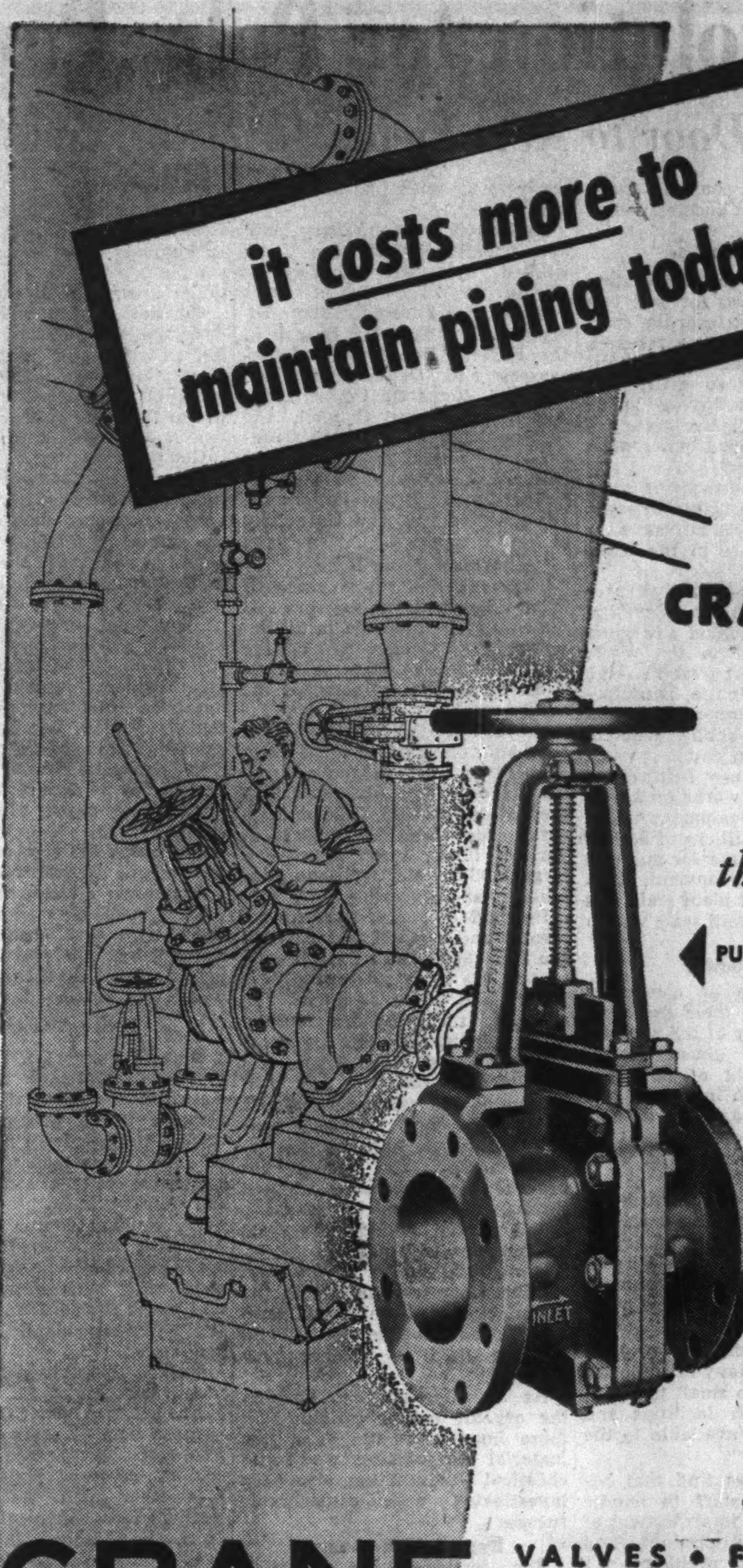
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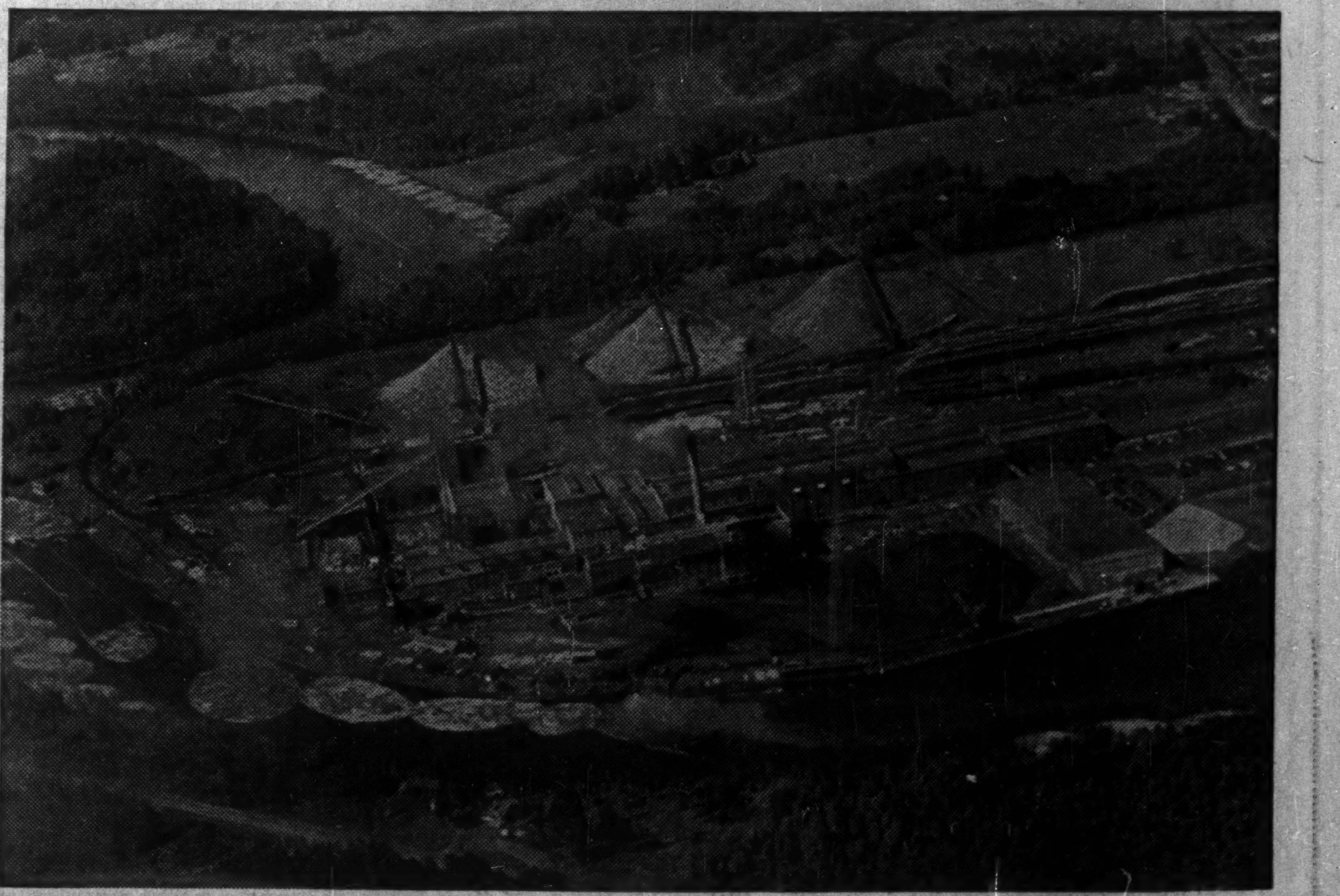

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That's all before stopping to figure out how many people depend on the secondary industries, the shops, the whole communities that supply the industry and its employees.

Before the nightmare gets too complicated, let's come back to the more pleasant reality of taking a look at what's being done to make sure the pulp and paper industry is here to stay.

It's the story of some of the things the backroom boys — "the boffins" of the industry — have produced and are producing to make the forests last longer and to produce more wood; to increase the number of dollars produced from each cord of wood cut by making more and better paper and pulp products, and byproducts that may some day rival the pulp and paper in value.

How Research is Growing

And perhaps we shouldn't regard the researchers as "backroom boys" any more, because the important developments in the field of pulp and paper research in recent years increased the willingness of companies in the industry to make available to the whole industry the knowledge gained from their research work.

Companies aren't throwing away the competitive advantages they've gained through painstaking research efforts, but they are passing along information on a lot of the basic things they've learned. This is speeding the general rate of progress, means that the industry won't have to lag behind because some are still having to cover the ground already covered by others.

A reflection of this new mood is seen in the growth of the Pulp and Paper Research Institute of Canada which, among institutions devoted to industrial research in Canada, has a staff and a volume of expenditure second in size only to the National Research Council.

This has been built up, with the co-operation of the Federal Government and McGill University, through increased annual grants from the companies in the industry and from Ottawa, and through the building up of contract business for individual companies and groups of companies.

Annual revenues of the Institute have risen rapidly, will total more than $1 million in 1952 compared with $300,000 in 1949. The staff now numbers 121, three times the 1949 level. Most of this growth is based on the large volume of contract business which has developed.

Demand Is High

Although it has been operating on the present basis for only two years, the demand from the companies wishing to have research projects undertaken by the Institute has become so great that some business is having to be turned away. Other projects are having to be delayed by as much as six months.

Because of this there is some consideration being given by some senior industry executives to a substantial increase in the Institute's facilities.

Among the co-operative projects under way is the development of a method re-using sulphur now lost in the waste sulphite liquor left over in large quantities in sulphite manufacture. In a sulphur-short world this would lick a supply problem as well as save on costs.

One of the other features of this process, if it works on a mill scale, may be development of byproducts worth millions of dollars in additional income for sulphite producers. At the moment, work is on a small pilot plant scale, but it may reach the mill scale within a year.

Yield Booster

A large group of companies have also pooled their resources to sponsor a study of the sulphite cooking process, aimed at increasing the yield of pulp per cord of wood. An increased rate of expenditure has been authorized, with the double goal of lower sulphur use and lower wood use per ton of pulp.

Other major studies include research into the cause or causes of corrosion of all kinds of equipment used in the alkaline pulping process, and development of more efficient holding grounds for pulpwood.

There are smaller projects under way too. Many of these are for companies too small to maintain the research facilities and staff of the type available to the Institute.

Many companies find that beyond a control staff to handle maintenance and improvement of quality of their product, and normal operating problems, it's too expensive to do much research on their own. But they're welcoming the opportunity provided by the rapidly developing Institute to carry out individual research studies in their own line, or to go in with other companies in the industry on larger and more expensive projects in which all are interested, and from which all will benefit.

Aside from the efforts of the Institute, there's an increasing amount of money being spent by many companies in their own labs.

And outside the industry, pulp and paper problems are being studied by such agencies as l'Ecole de Papeterie at Trois Rivières, the Forest Products Division of the Forestry Branch of the Federal Department of Resources and Development, the National Research Council, the Alberta Research Council, the British Columbia Research Council, the Research Council of Ontario, University of Toronto, University of British Columbia, Laval University, and University of New Brunswick.

What's Being Done

The variety of the work that's been done and of the projects under way is indicated in the research efforts of some of the companies in the industry. Here's a brief rundown of some of the main ones:

Howard Smith Paper Mills Ltd. has had a department exclusively devoted to research and occupying its own separate laboratory building since 1929. The department has been expanded at various times, now occupies a large modern and well-equipped building at Cornwall.

Its field of study, both fundamental and applied, has covered the full range from the growing tree to the wide variety of final papers and other products. For instance, it developed a method of processing the liquors from alkaline pulps which allows the simultaneous recovery and utilization of the reagent chemicals and of the heat which is generated through burning the organic matter. The process has been almost universally adopted throughout the world, resulting in an annual saving of several million tons of coal.

It also developed a somewhat similar scheme applicable to the manufacture of sulphite pulp which is now used in one mill and will be used in another now building.

As an alternative to burning the organic matter contained in these liquors, its use as a raw material for making various chemical products has also been investigated with considerable success.

Byproduct Recovery

For instance, the company found an economic process for recovery of vanillin, the chemical used for vanilla flavoring, and for the last 15 years a Howard Smith mill at Cornwall has been supplying Canadian vanillin requirements.

It also developed a method for the recovery of lignin in a form suitable for use as a plastic resin, and has been producing this product since 1945. Lignin and wood pulp form important ingredients in "Arborite," a plastic laminate developed at the same time. Arborite is being produced by a Howard Smith subsidiary and arrangements have recently been completed for its manufacture under license in Sweden.

Current studies indicate new developments may not be far off. For instance, still in the lab and pilot plant stage is the development of uses for lignin in the production of rubber products and ceramic products.

Company is working also toward the use of wood without prior bark removal for fine paper pulps, including development of the special mechanical equipment required. Already the company is producing soda pulp without removing the bark. This can be of particular importance in the utilization of highly branched and crooked hardwood species that are unsuitable for lumber and have not been used for pulp production because of the difficulty in removing the bark from the wood.

In connection with problems peculiar to its own wide range of papers and paper products, the company has developed flax straw pulps for cigarette papers, new means of wetproofing cigarette papers; development of improved business machine papers; bank note and cheque papers, duplicating papers such as blueprint; special coated papers, food wraps, etc.

Other Avenues

Ontario Paper Co. at Thorold, in co-operation with the Ontario Research Foundation, has developed a new process for producing vanillin from lignin based on lime rather than on the more expensive caustic soda used in the Howard Smith process. However, Howard Smith offsets the high cost of the caustic soda (an alkali) by regenerating the caustic soda after processing the pulp and using it again for supplying the necessary alkali in vanillin production.

Ontario Paper's new vanillin plant, started last fall, is due to start operating about Oct. 1. Cost is more than $1 million, with annual capacity expected to be 400,000 lb. A large portion of the production will be marketed through Dow Chemical Co. in the U. S. and Canada. The intention is to produce vanillin in sufficient quantities to permit widespread use as an industrial chemical instead of its present limited application as a flavoring agent in the baking, ice cream and confectionery industries, etc.

The basic structure of lignin is aromatic, and it is potentially capable of yielding a variety of simple, pure aromatic materials. While vanillin will be the first commercial product sold from the new plant, there are sizeable quantities of two other similar aromatic materials which can be isolated easily from the coproducts formed, namely vanillic acid and acetovanillone.

Besides these pure aromatic chemicals, there are large tonnages of fine powder trademarked "Lical" which is said to have promising applications, for example, as a carrier and extender for insecticides and fungicides and as an anti-caking agent in fertilizer manufacture.

Use of Former Waste

The lignin initially comes from an effluent from the company's alcohol plant which converts the sugars in waste sulphite liquor to commercial alcohol. Thus the company makes use of both the sugars and the wood substances in solution in the waste material that is left over from its sulphite pulp production. This "waste" is run off to sewer in many sulphite mills on this continent.

The alcohol plant, first successful one of its type on the continent, was put into operation in 1943. A much larger one was completed in 1949 at Gatineau, Que., where Commercial Alcohols Ltd. processes waste sulphite liquor from the adjoining Canadian International Paper Co. plant. At the latter plant, magnesia insulation material is manufactured using carbon dioxide gas produced in the fermentation process.

Canadian International Paper has made important contributions in the field of research, particularly in the development of dissolving pulp used in the manufacture of such products as synthetic textiles, plastics and Cellophane. Its labs and pilot plants at Hawkesbury, Ont., for instance, try to translate the yarn-making requirements of synthetic textiles customers into pulp-making terms, and vice versa.

A Parent Researcher

The Hawkesbury organization, operated by a wholly owned subsidiary, Industrial Cellulose Research Ltd., carries on research basic to all the mills of all International Paper companies here and in the U. S.

The main project on which C.I.P. has been working recently has been the utilization of species other than spruce and balsam in order to make more complete use of the company's timber limits. Aim is to develop not only fibrous material suitable for pulp but also byproducts. The job is by no means finished yet, but already the company has its sulphite mill at Hawkesbury operating exclusively on hardwood as the raw material.

Among the cellulose products developed at Hawkesbury in recent years have been viscose

(Continued on page 37)

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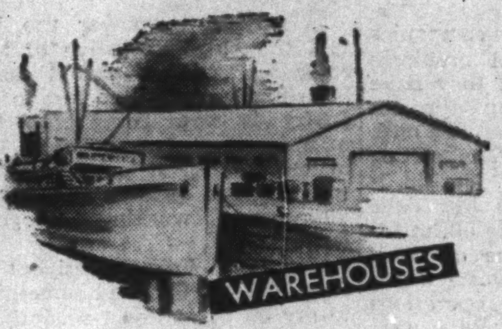

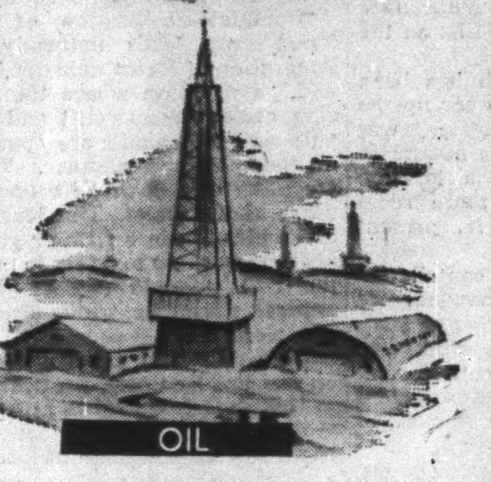

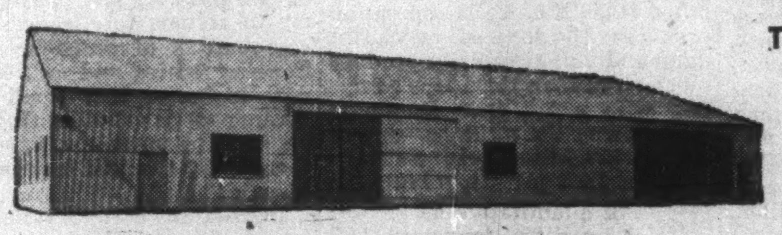

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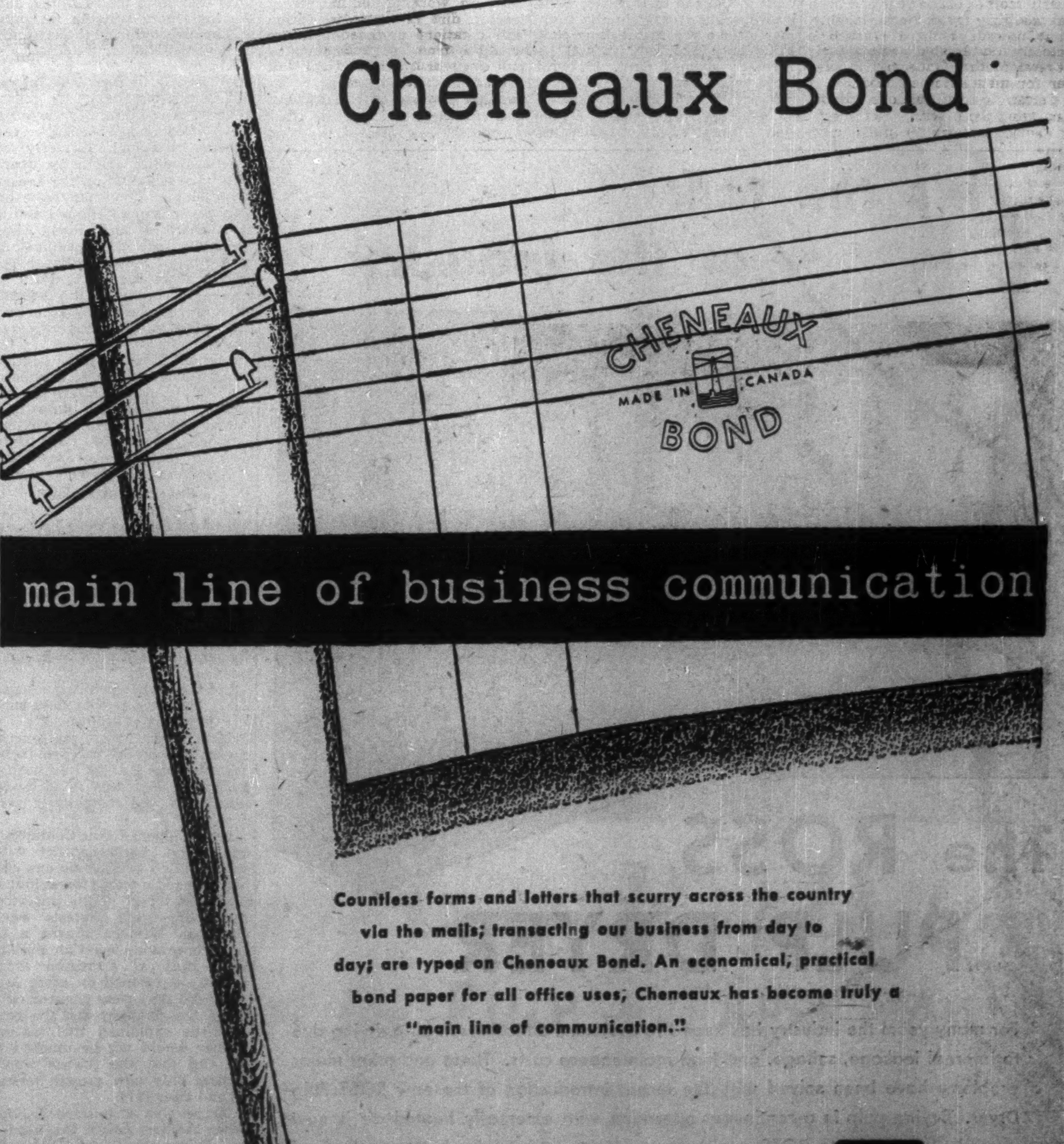

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THE E. B. EDDY COMPANY *papermakers at HULL, CANADA*

Test-Tube Revolution for Pulp, Paper

(Continued from page 36)

tire yarn, soluble compounds, and adhesives.

Use of Hardwoods?

Another firm which has been concentrating on development of methods to use a greater variety of wood species is Consolidated Paper Corp. One hope here is use of hardwoods to some extent in the manufacture of groundwood pulp, the main ingredient in newsprint.

The company is also conducting research into further reduction of the amount of sulphite pulp required in making newsprint. This would increase the amount of pulp obtained from a given quantity of wood, since a greater yield of pulp is possible in the mechanical pulping process. It would result also in an improved printing sheet.

Abitibi Power & Paper Co., which has its central research and development division at Sault Ste. Marie, lists the following main research problems now under study:

(1) Development of processes to increase the yield in chemical pulp manufacture, thereby reducing costs and stretching out forest resources.

(2) Development and further refining of processes for using tree species which in the past have been by-passed in woods operations. These include birch, jackpine, poplar and maple.

(3) Development of processes to reclaim chemicals from waste liquors of chemical pulping.

(4) Methods of using sawmill waste wood. Substantial quantities of sawmill waste are being used at the Sturgeon Falls corrugating and hardboard mills. The balance of the wood furnish used in these mills is derived almost entirely from the so-called "weed" species. Company's central research lab played an important part in development of these processes.

(5) Development of "synthetic lumber" from wood waste is a continuing objective of Abitibi research activity.

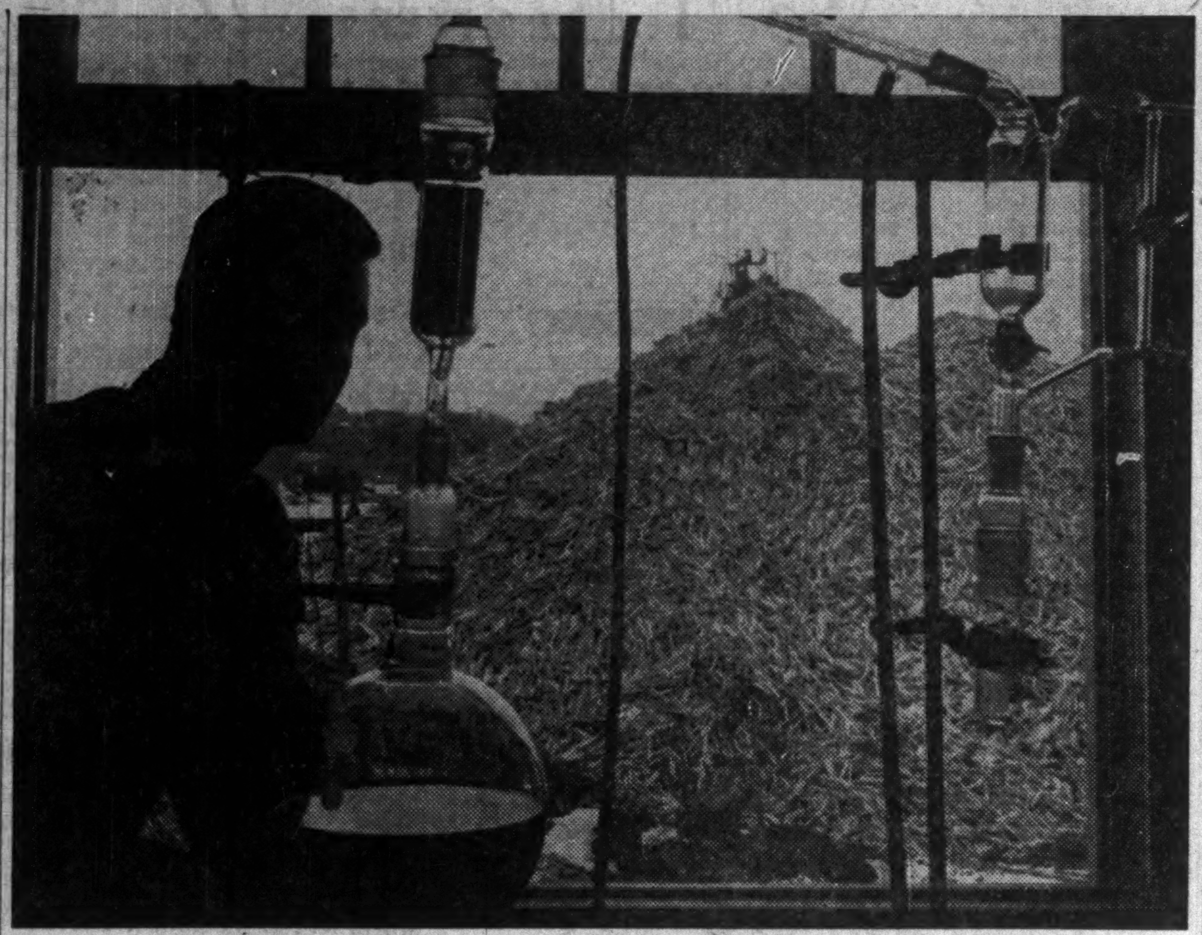
Abitibi's research organization works closely with the laboratory group of Provincial Paper Ltd., a subsidiary, at Georgetown, Ont., where technicians are concerned with problems in manufacture of fine papers.

The "Curlator"

In the search for a higher yield sulphite process, Price Bros. & Co. has made important progress through invention and improvement of the "Curlator," a device having the functions of a refiner or stock improver.

Mill scale tests with commercial machines have been carried on at one mill, and Curlators are now in use at the three mills. Several further units are on order for installation in 1953.

Certain special research work has been done with the object of developing uses for waste sulphite liquor, the main problem being its economical evaporation to a solid state. Very encouraging progress has been made and valuable experience gained, company reports.



Industry and government are forming a nationwide team in the big test-tube attack on our forest industry that's opening new product fields, adding long-term promise to future prosperity of our $1 billion-plus pulp and paper industry.

Price Bros. research staff has made some headway with a refinement of the ammonium base cooking process, and a patent has been secured in this connection. Work is also under way on use of a greater variety of wood species, and experiments on the conversion of bark to render it useful for soil improvement are being carried out on a large scale at one mill.

Rolland Paper Co. claims to be the first fine paper mill in the world to have successfully accomplished automatic weight control in lightweight papermaking by the use of atomic energy.

The Atom's Use

On one machine at the company's St. Jerome mill it has installed a "Betameter," an instrument which consists of a Strontium isotope produced at Chalk River and of a gauge measuring beta rays emitted by the isotope.

Heretofore, in making paper, a single sample of paper had to be torn from a roll of paper and weighed on a scale. The Betameter has been constructed in such a way that it not only continuously measures the weight of the web of paper, but it also controls automatically and continuously the weight of the paper right on the machine.

The company uses atomic energy in another instrument as well. In its converting department, where rotary paper cutters are operating, static electricity created a problem for a long time. This was solved by installation of ionotrons which are metallic bars coated with a salt of radium which ionizes the surrounding air and thus does away with static electricity.

Quality control is one of important aspects of company researchers' work. E. B. Eddy Co. reports that a lot of its efforts have been directed toward developing ways of testing in the lab which will yield a numerical result characterizing the level of quality in use. For instance, methods of quantitative measurement of curling tendency in printing papers, of softness in tissues, of dimensional stability in register papers are among those devised.

Once you can measure the quality factor, it's possible to investigate the underlying basis of the individual quality factor.

Moisture Measurement

Company has devised a way of measuring moisture — which affects paper's properties profoundly—not only by sampling the finished paper but also continuously during the course of manufacture, all by electrical means. It is also working on measurement of dirt in paper to assist mill operations designed to free the pulp from colored foreign materials which detract from the finished product's appearance.

Research into use of a greater variety of wood species, development of a stronger mechanical pulp, more efficient use of chemicals in the mill and use of new chemical products, development of wider uses for paper, are included among company projects.

An interesting development, with important implications for the future of the industry, is a new semichemical pulp mill completed by Bathurst Power & Paper Co. at Bathurst, N.B., last year.

The pulp, used in making liner for corrugating board, is produced entirely from hardwoods. Not only does it make use of wood heretofore passed up as useless, thus reducing the drain on other species, but the liner made from this pulp has been found to be of a quality superior in many respects to the product formerly made. And the yield of pulp is 20%-25% greater than in normal pulping methods.

Continuous Pulping

Still another very important feature is that it is made by a continuous pulping process, instead of by the batch process used almost universally in chemical pulp manufacture.

Pulp and paper scientists say that replacement of the batch process in the chemical pulp field with continuous pulping would be revolutionary. While success has been restricted so far to the production of semichemical pulp, the work being done by the Pulp and Paper Research Institute, mentioned earlier, to produce a high-yield sulphite pulp is aimed at making sulphite by a continuous process.

Where a digester used in making semichemical pulp by the batch process produces about 50 tons a day, the continuous cooker produces 130 tons a day with a fraction of the labor requirement for its operation. The product — called semichemical because after the cooking mechanical treatment is applied — is made in what amounts essentially to a kraft pulping process in which wood chips are cooked with neutral sodium sulphide. This produces high-yield semidelignified pulps which have a yellowish or brownish tinge and are used principally in making wrapping paper, cardboard, etc.

Prospects Look Good

There are still lots of difficulties to be overcome. The batch process won't disappear in chemical pulping overnight. Color is one of the main problems to be licked before pulp made in this way can be used in wider applications than those possible now.

But like so many of the projects under way in the industry, even though efforts may take time, and may even fail, the chances of success look good and out of the work will come knowledge that will still further increase the life and the value of pulp and paper in this country.

COMPANY REPORTS

To assist readers in appraising and comparing company financial statements, The Financial Post has a uniform method of presenting corporation accounts. Variations from the companies' published reports are footnoted.

BARBER-ELLIS OF CANADA LTD. net profit of $240.304 for 1951 was 15.9% below 1950's net of $285,620.

CONS. INCOME ACCOUNT

Years Ended Dec. 31:	1951	1950
Net earnings	$629,293	$615,556
Less: Depr.	94,489	83,850
Bond int.	7,500	16,086
Inc. taxes	287,000	230,000
Net profit	240,304	285,620
Less: Pref. divds.	4,200	4,200
Com. divds.	154,000	198,000
Surplus for year	82,104	83,420
Times Bond Int. Earned:		
After depr.	71.31	33.05
Earnings per Share and Dividend Record:		
Preferred	$200.25	$238.02
Paid	3.50	3.50
Common	5.37	6.40
Paid	2.50+1.00	2.50+2.00

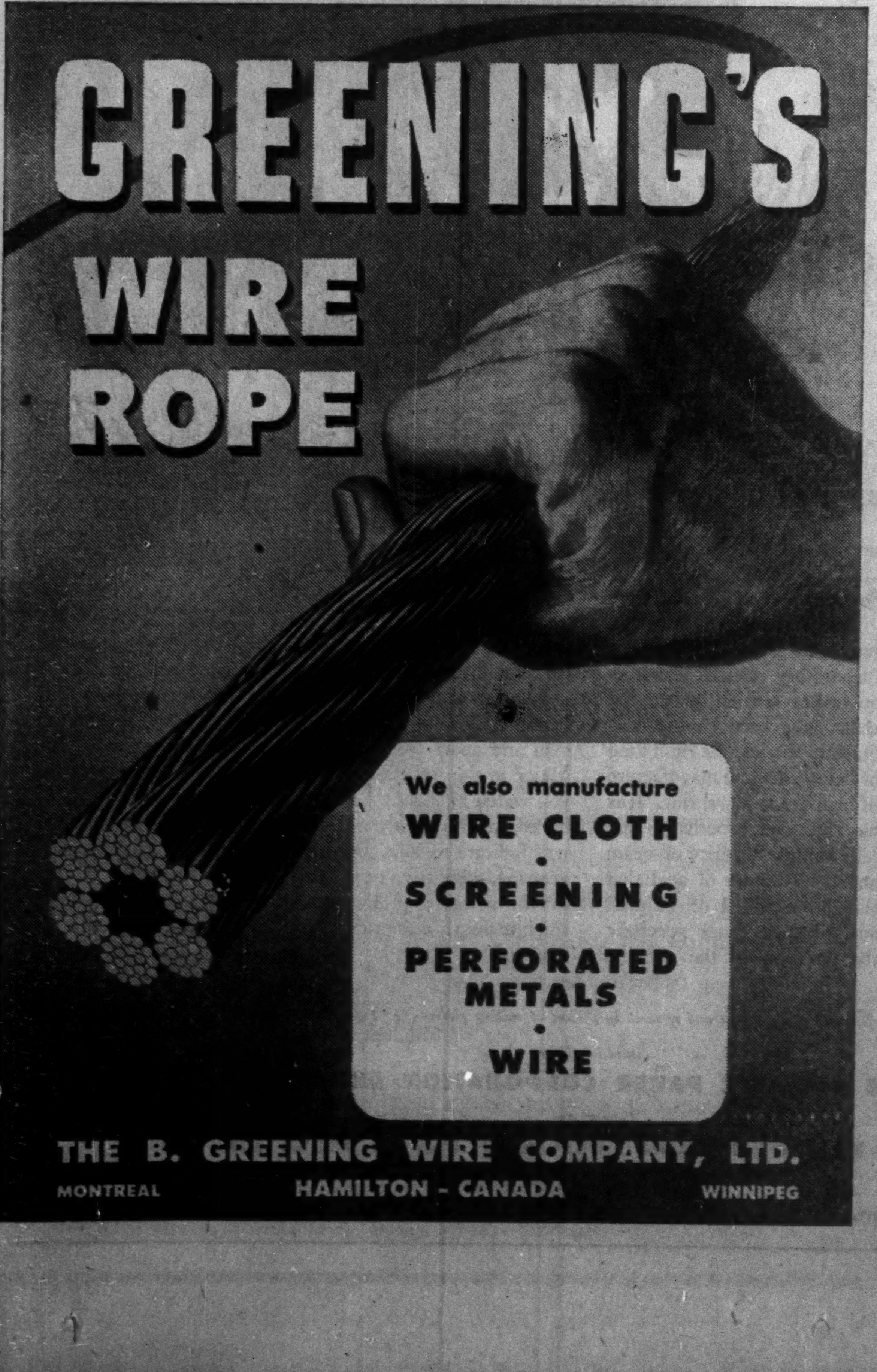
CONDENSED CONS. BALANCE SHEET

As at Dec. 31:	1951	1950
Cash & govt. bds.	$123,710	$205,562
Accts. rec.	843,028	780,201
Invests.	9,308	17,722
Inventories	785,642	850,280
Total curr. assets	1,761,688	1,853,765
Prep. exp.‡	51,759	43,627
Misc. assets▲	116,478	122,428
Fixed assets	2,022,885	1,797,620
Total assets	3,952,810	3,817,440
Bank Loan	100,000	......
Accts. & tax. pay.	501,821	551,769
Bonds due	......	267,035
Bond interest	3,750	8,043
Pref. divd. pay.	2,100	2,100
Notes pay.	150,000	......
Total curr. liab.	757,671	828,947
Depreciation	1,261,014	1,177,218
Other res.	313,850	262,315
Capital stock	500,000	500,000
Surplus	1,120,275	1,048,960
▲Incl. ref. EPT	......	12,129

‡Incl. in cur. assets in co's report.

Working capital	1,004,017	1,024,818

Contingent liability at Dec. 31, 1951, $16,973.



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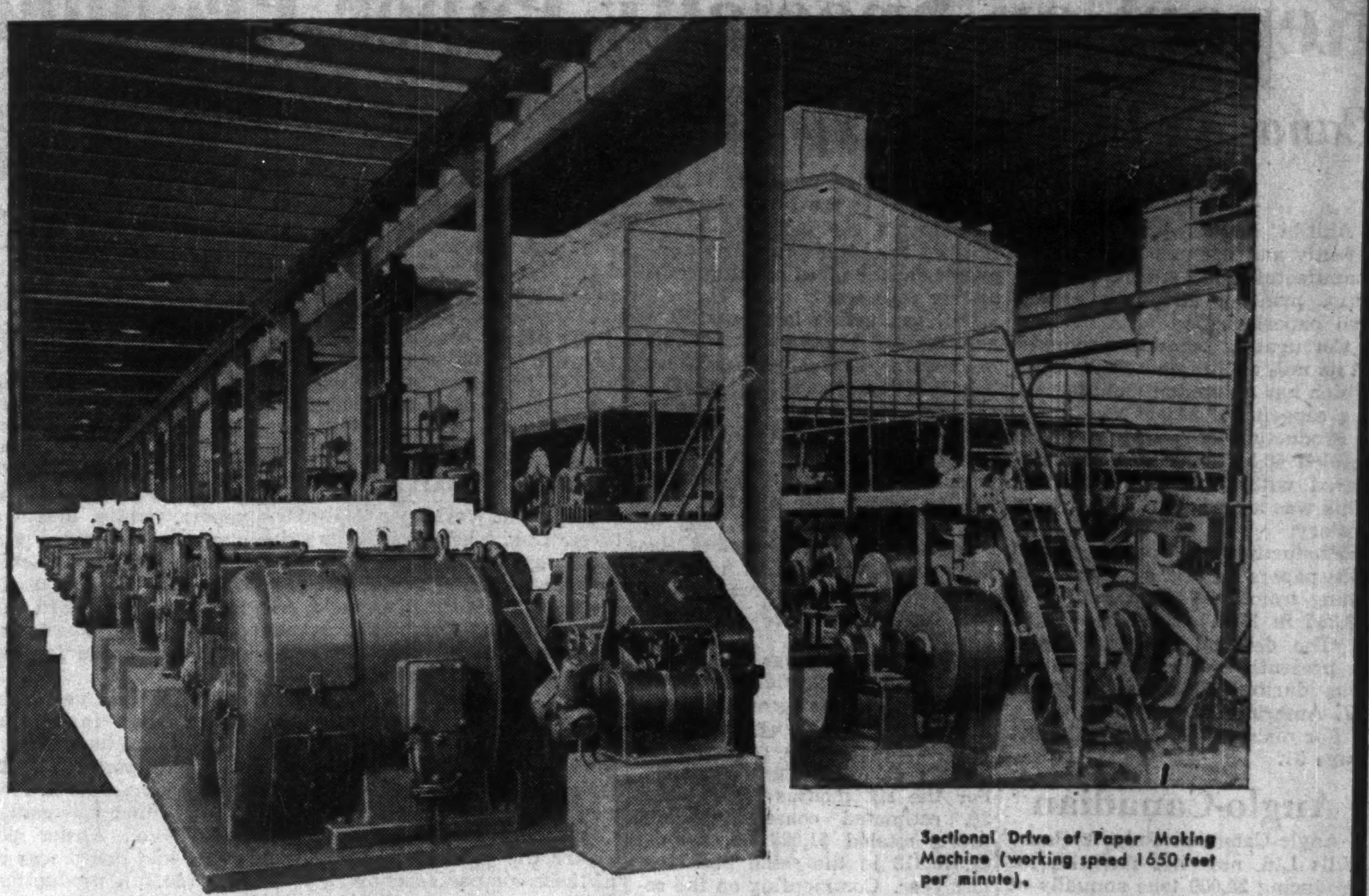

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Report on Specialty Paper Producers

Canada's Industrial Expansion Big Cause for Comfort Here

Abitibi

Abitibi Power & Paper Co., directly and through subsidiaries, manufactures newsprint, sulphite pulp, printing and fine papers and paperboard.

Corrugating board is produced at its mill at Sturgeon Falls, Ont., which has an annual manufacturing capacity of 34,000 tons.

Production of paperboard totaled 46,547 tons in 1951, compared with 35,915 tons in 1950. This was a new high in company history.

Production of printing and fine papers also set a new record, going from 73,882 tons in 1950 to 83,365 in 1951.

"The demand for fine papers is presently much lower than it was during 1951," President D. W. Ambridge stated in July.

For main report on Abitibi, see page 51.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills Ltd. now has facilities for producing 25,000 tons annually of paper board and wrapper at its Quebec City, Que., mill.

Its board machine went into initial operation in July, 1950. Since then, additions have been made, raising capacity to the present level. Actual output of paper board rose from 5,500 tons in 1950 to 17,525 tons in 1951. This year, output of board and wrapper has been running at about 60% of capacity, the company reported recently.

For main report on Anglo-Canadian, see under newsprint companies.

Bathurst

Bathurst Power & Paper Co. produces cylinder boards, including patent coated, bleached manilla, pulp and screenings and colored boards; Fourdrinier boards, including kraft liner and kraft corrugating boards; and high-grade unbleached sulphite pulp. Plant is at Bathurst, N.B.

Through two of its subsidiaries — Shipping Containers Ltd. of Montreal, Que., and Kraft Containers Ltd., of Hamilton, Ont. — it turns out corrugated shipping containers and like products from kraft liner and corrugated board.

Production of kraft products and boxboards is sold mainly in the domestic market and to the U. K. and Australasia. Unbleached sulphite is marketed in the U. S., with some domestic and U. K. sales.

Leasehold timber limits in New Brunswick and Quebec total about 2,700 sq. mi., containing an estimated 14 million cords of pulpwood. Areas in New Brunswick are located on rivers tributary to Bathurst Harbor, Baie de Chaleur, while those in Quebec are on the Bonaventure and Cascapedia Rivers, also flowing into Baie de Chaleur.

Capital expenditures in 1947-51 totaled $7,651,615, including $2,530,834 last year. During 1951, work on the company's new semichemical pulp mill, which started operations at the end of 1949, was completed. Improvements to the boxboard machine, which are now practically completed, will enable a boost in production of about 10,000 tons annually. An extension to the Kraft Containers Ltd. plant in Hamilton, Ont., was finished this summer, while improvements to the No. 3 machine at Bathurst are expected to be finished later this year. The company's caustic plant is being completely replaced.

Mill production last year hit a new high at 145,659 tons (127,911 in 1950). Output of container boards rose to 94,858 tons (88,925), of box boards to 21,523 tons (21,063) and of pulp to 29,168 tons (17,923). Production of shipping containers in the three converting plants also climbed to a new peak, with 55,994 tons of container boards, supplied by Bathurst, against 50,897 in 1950.

Consolidated net profit was 33% higher at $3,485,927 ($2,613,229).

This year, earnings have been down somewhat, reflecting a drop in demand in the second quarter, higher manufacturing costs and depreciation, and a reduction in income from foreign exchange. For the six months ended June 30, estimated consolidated net profit totaled $1,028,383, against $1,518,313 in the same period of last year. Commenting on the results, the company stated that pulp demand was continuing at a lower level, with prices down substantially, and expected that these conditions would probably continue throughout the second half of 1952. Some strengthening in demand for other mill products was noted.

Brompton

Brompton Pulp & Paper Company, formerly one of the three operating subsidiaries of St. Lawrence Corp., is presently being wound up and its charter will be surrendered. The parent concern (which see), formerly a holding company, earlier this year integrated the operations of its three subsidiaries and became an operating company.

The 3½% first mortgage bonds of Brompton Pulp & Paper Co. were redeemed last April.

Canada Paper

Canada Paper Co., a wholly owned subsidiary of Howard Smith Paper Mills Ltd., manufactures kraft wrapping and bagging, rotogravure, envelope papers, box cover papers, paper bags, and a range of converted products including creped and crinkled papers, towels, waterproof building and wrapping papers and many specialties.

Its Windsor Mills, Que., plant includes a sulphate pulp mill, a two-machine paper mill and a converting plant. Its St. Francis mill, about half a mile up-river from Windsor Mills, has two paper machines and an electrically driven groundwood mill. Combined annual capacities include 60,000 tons of kraft, wrapping, book and specialty paper; 85,000 tons of kraft pulp; 10,100 tons of groundwood pulp; and 350 million paper bags.

Subsidiaries of Canada Paper Co. include: Schofield Paper Co., operating wholesale warehouses in Saint John and Halifax dealing in high-grade papers, wrapping, twine, newsprint, ruled forms, toilet papers, bags, etc.; Canada Paper "Wholesale" Ltd., operating in Toronto and Montreal and merchandising chiefly book, bond and writing papers; Kilgour's Ltd., operating wholesale warehouses in Montreal, Toronto, Hamilton, London, Ottawa and Winnipeg, selling bags, wrapping paper, twine, paper boxes, etc.

Financial and operating statistics are consolidated with those of the parent company. The latter owns all the outstanding $1,250,000 7% cumulative $100 par preferred stock and $100,000 $5 par common stock.

Can. Wallpaper

Canadian Wallpaper Manufacturers Ltd., together with its subsidiaries, manufactures and sells wallpapers, being the largest producer in this field in Canada. All grades of wallpaper are manufactured, trade names being "Waterfast," "Durawall," "Sunworthy," "Semi-trimmed," and "Sunworthy Waterfast."

Plants are located at New Toronto and Leaside, Ont., and Montreal. Operations were carried on through Reg. N. Boxer Co., Stauntons Ltd. and Watson, Foster Co. prior to consolidation of these companies as divisions of the parent company in 1949. Dominion Colour Corp., New Toronto, former color department of Canadian Wallpaper Manufacturers, is now a wholly owned subsidiary. Empire Wall Papers Ltd., another wholly owned subsidiary, serves as a wholesale and retail outlet, operating several stores.

Net profit in the year ended April 30, 1952, was $59,194, down 74.8% from the previous year's $235,345. Earnings per share, class A and B, were 46c ($1.82 the year before), and dividends paid 40c ($1).

Sales in both domestic and export fields increased during the year, as did prices, President Arnold Ashton reported. These factors did not offset higher raw material prices and operating costs, particularly labor, he stated.

Sales of Empire Wall Papers Ltd. were well maintained but increased operating expenses resulted in lower net earnings. Dominion Colour Corp. showed no real increase, as building extensions were not completed until February, 1952.

Company policy is to offer its domestic and export wallpaper sets on a two-year basis in alternate years, for manufacturing and merchandising reasons. The 1951-52 period covered the domestic set, while currently a new line is being offered to the export trade.

Directors initiated an employees' contributory pension plan last year.

Capitalization outstanding at April 30, 1952, consisted of $300,000 4% serial debentures, due 1953-60; 25,638 Class A npv shares, and 103,608 Class B npv shares.

Consolidated

Besides its newsprint and pulp operations, Consolidated Paper Corp. is an important producer of kraft paper and board and wrapper. As of August, 1951, its Laurentide Division at Grand'-Mère and its Wayagamack Division at Three Rivers and Cap de la Madeleine, Que., had a total annual capacity of 16,324 tons of board and wrapper and 49,280 of kraft paper, respectively.

Kraft wrapping paper is sold under the trade name "Wayagamack Pure Kraft," cardboard under the trade name "Laurentide Board."

Its kraft wrapping paper is used for all wrapping purposes, tags, office folders, binders, envelopes, office forms, gumming, waxing and creping for various purposes. It also goes into the manufacture of bags for cement, rock products, flour, sugar, bags used in clothing, millinery and general merchandising; tissue papers, white and colored for wrapping, creping, waxing and twisting and foil backing.

Its cardboard is used in manufacturing cardboard boxes, composition wallboards and as a mounting board for display purposes.

Earlier this year the company stated that inventories in the hands of customers for board and wrapping paper were larger than at the same time in 1951, but that consumption was continuing at a high level. Order position for paper and board was expected to provide full production for these products for the rest of 1952, barring something totally unexpected.

For main report on the company see under newsprint firms.

Dom. Cellulose

Dominion Cellulose Ltd., Toronto, and its associated company, National Cellulose of Canada Ltd., manufactures face-cleansing tissues under the brand names of "Face-Elle" and "Gibson's," "Nancy" brand toilet tissue, and miscellaneous sanitary paper products.

Dom. Envelope

Dominion Envelope Co., Toronto, manufactures envelopes, specialty bags, and converts Cellophane into bags, rolls and sheets. It has a complete packaging service.

There is no public investment in the company.

Dryden Paper

Dryden Paper Co. manufactures sulphate pulp and kraft, manilla and building papers. In addition, it owns a 40% interest in Woods-Dryden Paper Bags Ltd., which makes paper bags at Winnipeg.

Annual capacity of its Dryden, Ont., pulp and paper mill is 60,000 tons of sulphate pulp, of which 50,000 tons can be converted into finished kraft paper and kraft paper products with the balance sold as dried pulp. The first stage of an expansion program under way will raise annual capacity to an estimated 80,000 tons by the end of 1953. It will also provide for a second stage of development which, if proceeded with, will boost capacity to about 112,000 tons a year.

To help pay for this first stage, cost of which is estimated at $3,500,000, a new $2,250,000 issue of 5¼% debentures due Dec. 1, 1966, was sold last December. Balance of the money needed will be obtained from the company's general funds.

Dryden owns and operates four hydro-electric power plants, capable of producing some 5,500 hp. of energy, within 20 miles of the mill site. Its 2,268 square miles of timber limits, held under a lease from the Ontario Government for a period of 21 years starting April 1, 1949, and renewable for two further and successive periods of 21 years each, contain over nine million cords of jackpine and spruce, all within trucking and water haul distance of the mill, it is estimated. In addition, settlers' wood is available within trucking distance.

In the year ended Sept. 30, 1951, finished production rose to 56,358 tons from 46,443 in the previous year. Paper producing capacity has been increased substantially, with a lower portion of total output marketed as dried kraft pulp, it was stated.

Net sales rose to $8,509,205 ($5,351,869 in 1949-50) and net profit was up sharply at $1,236,758 ($450,432). The profit gain was attributed largely to increased production and more efficient conversion of raw stock to finished materials.

Capital expenditures totaled $980,928, covering completion of the screen room modernization and improvements to existing paper machines.

Capitalization of the company, as at Nov. 30, 1951, consisted of $3,000,000 authorized, $2,775,000 outstanding, 4% first mortgage bonds, due 1961 and 1965; $2,250,000 authorized and outstanding 5¼% debentures due 1966; and 300,000 authorized, 205,000 outstanding, no par value common shares. At last report St. Regis Paper (Canada) Ltd. held 61,175 of the outstanding shares.

E. B. Eddy Co.

E. B. Eddy Co., besides its fine paper operations, produces substantial amounts of specialty papers, wrapping papers and paperboard.

Some of its products manufactured for paper converters include boxes (for food packaging and other uses), cable and ticker tape, cash register and accounting machine rolls, Christmas seals, cigarette tubes, counter cheque books, display signs, drinking and cake cups, envelopes, file folders, gro-

(Continued on page 39)

ONTARIO

The demand for forest products is increasing every day. Only by eliminating the carelessness that causes forest fires can we hope to preserve this source of financial gain.

Do your part to prevent forest fires.

ONTARIO DEPARTMENT OF LANDS AND FORESTS

HON. WELLAND S. GEMMELL, MINISTER
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3 TECHNICAL LITERATURE

The technical booklets and bulletins available through C-I-L are widely recognized as valuable and reliable sources of information. All material is authentic and carefully compiled in a concise, readable form. Available on request.

CH-52-35CB

PLANTS: Shawinigan Falls, Cornwall, Hamilton, Windsor, Copper Cliff.

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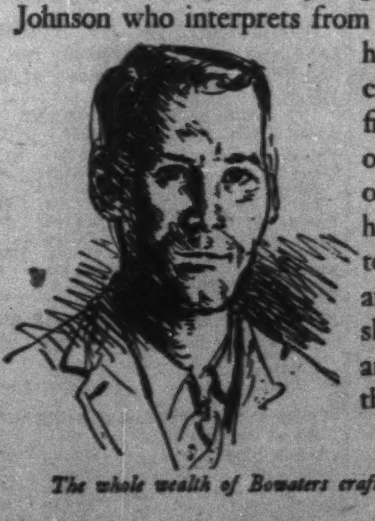
SERVING CANADIANS THROUGH CHEMISTRY

Such stuff as paper is made of

It is the right "stuff", in humans and material, that determines the quality of paper. Take Frank Johnson*, the cook on the digester floor in Bowater's Newfoundland Pulp and Paper Mill for example. Superintending the cooking of the wood chips in large digesters (pressure cookers) it is Johnson who interprets from laboratory reports, and tests he makes himself, when the chips have been cooked sufficiently to yield the right kind of "stuff" for the manufacture of high grade newsprint. It is his skill and experience that tells him the quantity of steam and the strength of acid that should be added or relieved and he must gauge precisely the duration of the cooking treatment on which depends the quality of the sulphite pulp which will later be sent to the paper machines.

Johnson came to Bowater's Newfoundland Pulp and Paper Mills Limited over twenty-five years ago as a young man and apart from war services (finished as Sergeant-Major in the Artillery) has been there ever since. When you watch him as he keenly scrutinises the panel board of his control room or prepares his own different tests which will indicate to him how the cooking of the chips is progressing, there is no need to ask him how he got his present job or whether he likes it. Both he and the resulting sulphite pulp are the right "stuff" good quality newsprint is made of.



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*Fictitious name.

How Specialty Paper Firms Are Faring

(Continued from page 38)

cery bags, gift wrappings, gummed tape, paper cores, tubes and lamp bulb wrappers, paper doilies and place mats, plastic- and clay-coated papers, postage and revenue stamps, soda straws, tickets for milk, bread, theatres, etc., tobacco wrappers, wallpaper, waxpaper, wrapping for explosives, writing pads.

Its specialty papers include Wellington Offset, for letterpress printing or offset lithography; Tecumseh Bristol for display cards, tickets, etc.; Post Card Bristol, for post cards; Guardian Index Bristol, for file and index cards, etc.; Mohawk Bristol, for tags, tickets, display material, booklet covers, etc.; Multicrip Duplicating, for office duplicating machines; and Multicopy Wove Duplicating, a duplicating paper which can also be used for offset and letterpress printing.

Its consumer products include tissue, towels and serviettes.

Last year, total sales of all grades of paper except newsprint totaled 83,205 tons, 6.9% greater than 1950's sales of 77,836 tons. Improvements in the export market resulted in an export sales of these papers of 3,166 tons, compared with 713 tons the previous year; practically all was shipped to Commonwealth countries. During the year, steady progress was made in replacing coarse and less profitable grades with the finer papers, stated President W. S. Kidd.

Fraser Cos.

Fraser Companies Ltd., directly and through wholly owned subsidiaries, manufactures sulphite and groundwood specialty papers, chemical wood pulps, groundwood pulp, paperboard and lumber products.

Properties of the company itself include sulphite and groundwood pulpmills, sulphite and sulphate bleaching plants and a paperboard mill at Edmundston, N.B.; an unbleached sulphate pulpmill at Newcastle, N.B.; and sawmills and dressing mills at Cabano, Que., and Plaster Rock, N.B.

Through ownership of Restigouche Co. the parent concern controls a bleached sulphite pulpmill at Atholville, N.B., with a daily capacity of 190 to 260 tons depending on quality and grade. Through Fraser Paper Ltd., a wholly owned subsidiary, it also controls a modern, high-grade paper mill manufacturing bond, catalogue and waxing papers at Madawaska, Maine.

At the end of last year the parent company and Restigouche Co. owned 1,553 sq. miles of freehold timber lands and controlled 4,016 sq. miles of Crown timber limits in New Brunswick and the eastern part of Quebec.

Most of the power for the Edmundston operation is purchased from Gatineau Power Co., the balance being generated by the company's own hydro and steam turbine plants at Edmundston. Plants of Fraser Paper Ltd. and Restigouche Co. are supplied by their own steam turbine generators.

Both production and capacity have been rising in recent years and output of pulp and paper products in 1951 touched another new high at 256,173 tons, up 13,009 tons from 1950. Demand for all company products was strong, although there was some evidence at the year end of a drop for certain grades of paper and paperboard. Average price for all products sold also showed a gain.

Lumber sales were off somewhat at 26,563,000 fbm (29,438,000 in 1950).

Consolidated net sales showed a 27.9% gain at $52,994,003 ($41,423,779) and net profit was 21.4% higher at $5,433,663 ($4,474,633).

For the first half of 1952 a drop in earnings was reported. Consolidated net profit for the six months ended June 30 totaled $2,478,626 against $3,067,844 same period a year ago. Due to the general decline in demand for pulp and paper products, the company stated in July, backlog of orders on hand at all plants at the first of the year had practically disappeared. Curtailment in some operations was necessary in the latter part of the half-yearly period.

To be competitive, prices for certain products were reduced, most of the cuts effective July 1.

Capital expenditures last year totaled $3,479,512 and plans are to continue the program of improvement, modernization and extension to existing plants for several years. It provides for greater utilization of the company's own pulp in manufacturing paper and paperboard, with some expansion in market sales.

Working capital at the end of 1951 totaled $9,512,936, up substantially from $7,831,219 a year earlier.

Interlake Tissue

Interlake Tissue Mills Co. manufactures a wide range of paper specialty products at its Merritton, Ont., plant. These include paper napkins, towels and allied products. Plant and equipment improvement carried on in recent years has enabled the company to increase production substantially above the former level of 10,000 tons a year.

Interlake is a privately owned company and does not publish details of its financial resources. Capitalization stands at $625,000 in shares of $100 par value.

Kimberly-Clark

Kimberly-Clark Corp. of Canada, a wholly owned subsidiary of Kimberly-Clark Corp., Neenah, Wis., operates a cellulose wadding mill on the Kapuskasing River in Northern Ontario.

Operations started in 1945. One machine of 120-inch trim and a 30-ton daily capacity was operating until February, 1951, when a second creped wadding machine began production. This increase in wadding tonnage permitted its customer, Canadian Cellucotton Products Co., to double its converting operations and hence its output.

The fiscal year ended April 30, 1952, was very successful from an operating and earnings standpoint, reported President Cola G. Parker of the U. S. parent company. The parent company's annual report consolidated the activities of Kimberly-Clark Corp. of Canada and LongLac Pulp & Paper Co. Consolidated earnings were $3,616,066 after providing $2,879,541 for depreciation.

At April 30, 1952, the two companies had current assets of $15,260,694, current liabilities of $5,889,209, and consolidated surplus of $6,767,682. These figures have been converted to U. S. dollards on the basis set out in the report.

Parent company's success in marketing of wadding for packaging led to introduction of this product on a minimum basis in Canada, stated Mr. Parker. This served to diversify and stabilize the subsidiary, he said.

The company is building an additional five houses at Kapuskasing this year for its employees.

Minas Basin

Minas Basin Pulp & Power Co., besides its groundwood pulp operations, has capacity for producing 50 tons of paperboard daily at its Hantsport, N.S., plant.

A complete range of boards is produced, including dunnage paper, builders sheathing, folding and non-folding grades of chip board, pulp board, test liners and lath board. The board mill, consisting of two buildings, is located adjacent to the company's groundwood mill.

For main report on Minas Basin, see under woodpulp companies.

Perkins Tissue

Perkins Tissue Mills Ltd. manufactures, at its Montreal plant, a diversified line of paper products, including printed and plain wax papers, paper napkins, crepe papers, gift wrapping papers, shelf papers, serviettes, table covers and box cover papers. Products are distributed throughout Canada by large paper distributors and large chain and department stores.

Also manufactured is a comprehensive line of printed Cellophane, foil, candy wrappers, fish wrappers, confectionery papers and wax papers.

The company was originally incorporated in 1930 by B. F. Perins and J. L. Perkins of the American Tissue Mills, Holyoke. In July, 1937, the common stock was purchased by Perkins Paper Products Ltd.

Price Bros.

Besides its main newsprint operations, Price Bros. & Co., produces substantial amounts of other paper products. At its Kenogami, Que., newsprint mill it owns a cardboard and wrapping paper machine with a capacity of 17,000 tons annually. Products of this machine include mill wrappers, screenings board, pulpboard, egg-case filler board and imitation leather board. The company also operates under lease the Jonquiere Pulp Co.'s cardboard and specialty mill, with an annual capacity of 30,000 tons.

See newsprint companies for the main Price Bros. & Co. coverage.

St. Lawrence Corp.

Besides its newsprint and pulp operations St. Lawrence Corp. produces a substantial amount of kraft paper and boards. The two mills manufacturing these products are located at East Angus, Que., and Red Rock, Ont., and productive capacity at each will be raised substantially as a result of a $22.2 million program currently under way and scheduled for completion by early 1954.

Annual capacity at East Angus presently includes 28,000 tons of kraft container boards, 30,200 tons of kraft papers, 5,000 tons of surplus groundwood pulp and 10,000 tons of surplus unbleached sulphate pulp. Completion of the program will mean an annual capacity of 30,000 tons of kraft container boards and 54,000 tons of kraft papers, and will enable conversion of all pulp produced at East Angus into finished papers and boards.

Two machines used in manufacturing board products will be modernized and speeded up, while one new machine will replace two others now manufacturing kraft paper products. The unbleached sulphate pulp mill will be modernized, and a semichemical pulp mill with an annual capacity of 8,400 tons will be installed.

Present annual capacity at Red Rock includes 80,000 tons of kraft container boards, 9,000 tons of surplus groundwood pulp and 9,000 tons of surplus unbleached sulphate pulp. Completion of the program will boost capacity to 150,000 tons of kraft container boards annually and 60,000 tons of newsprint annually.

One machine now manufacturing kraft corrugating and liner boards will be converted to newsprint production, while a new machine for turning out kraft corrugating and liner board, with an annual capacity of about 180,000 tons, will be installed. In addition, daily output of groundwood pulp will be boosted from 64 tons to 235 tons, of unbleached sulphate pulp from 275 tons to 390 tons, and equipment will be installed for producing semichemical pulp with a daily capacity of 55 tons.

On completion of the expansion program St. Lawrence Corp.'s total annual saleable capacity will amount to 653,475 tons, of which 234,000 or 35.8% (now 26.1%) will be in the form of kraft papers and container boards.

St. Regis

St. Regis Paper Company (Canada), Ltd. does a nation-wide business in multiwall bags and automatic filling and weighing machine. It is a subsidiary of the American St. Regis Paper Company.

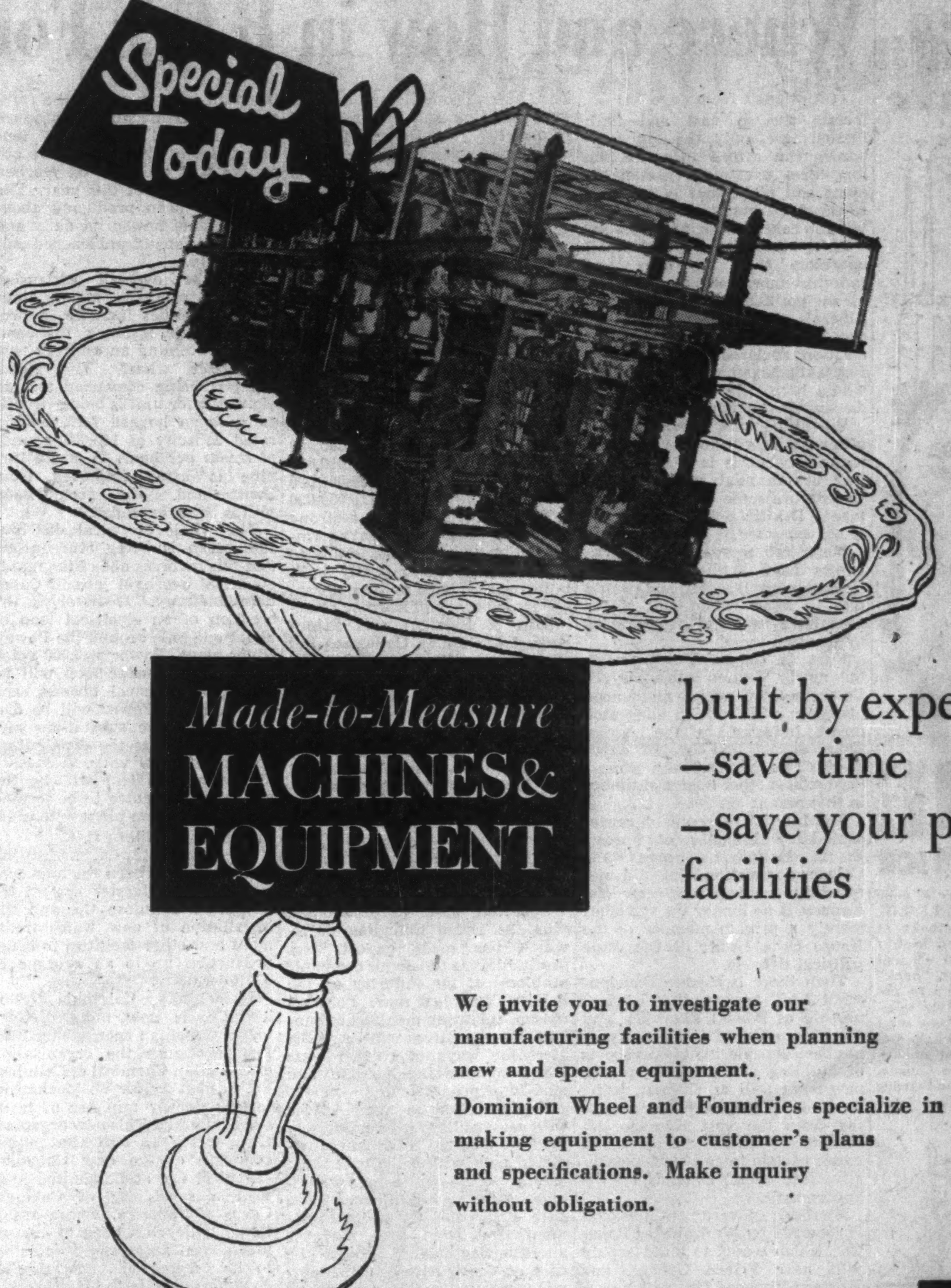
Bag manufacturing plants are located at Cap de la Madeleine, Que.; Dryden, Ont., and Vancouver, B.C. They use kraft paper bought from Canadian Companies and comprise one of the largest kraft paper converting operations in Canada.

The new Dryden bag plant has a capacity more than three times that of facilities formerly leased from Dryden Paper Co. It started production last June and St. Regis has now installed two tubing units with full accessory equipment for each, including two modern web printing press units. Space has also been provided for installation of a third unit later.

Last year the Cap de la Madeleine plant started operation of facilities for coating kraft paper polyethyelene to meet demand for multiwall shipping sacks containing this thermoplastic protective barrier ply.

The Panelyte Division of St. Regis Paper Company (Canada) started producing laminated plastics at a new St. Johns, Quebec, plant in June of 1951. This new plant, representing an investment of over $2 millions, was designed to supply the requirements of the Canadian market for industrial, refrigeration and decorative Panelyte (company's trade name for its laminated plastics). It uses Canadian raw materials and labor to produce laminated

(Continued on page 42)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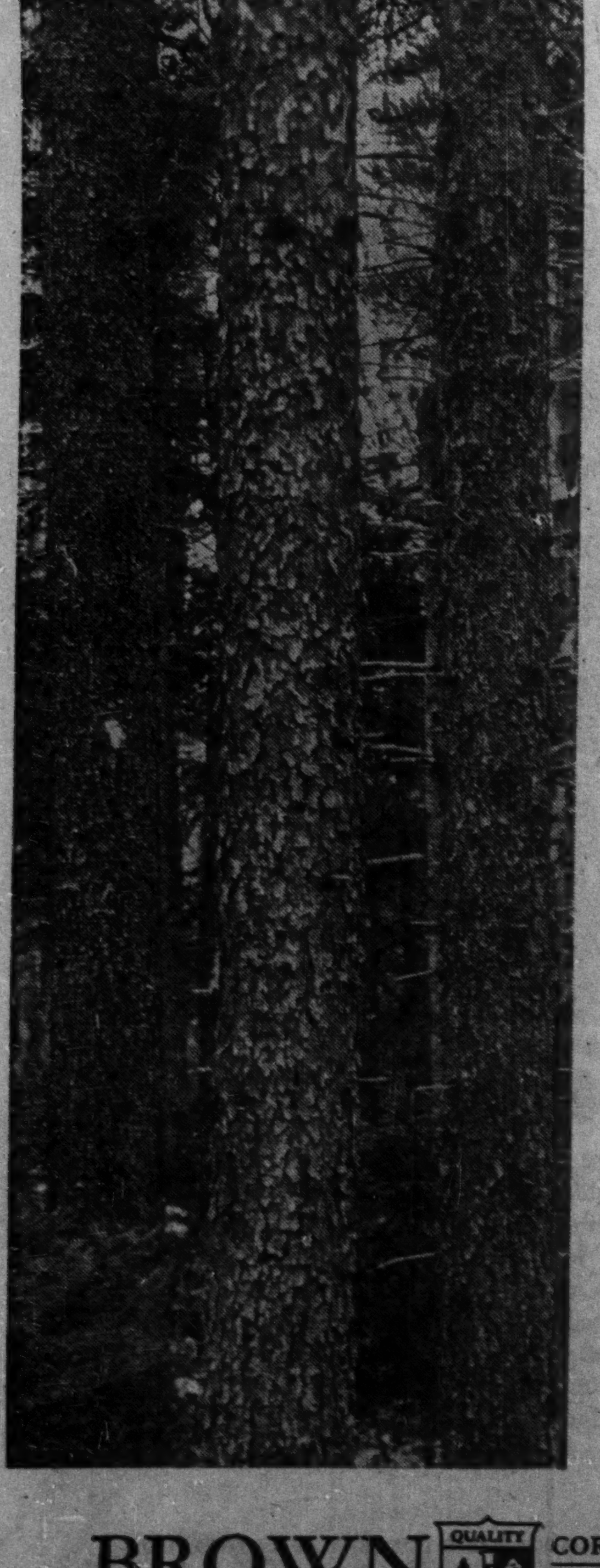

Program with a Purpose . . .

Brown Corporation's program of forest conservation has one purpose —to ensure the continued availability of fine quality pulp for the Canadian paper industry.

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Where and How in B.C.'s Forest Boom

(Continued from page 38)

forests are so vast and that, furthermore, only the big companies can afford to make the long-term investment in management and plant that is required to ensure perpetuity of systematic use and conservation of the forest.

Since there are more small operators than big ones, and therefore more votes among them, all the political parties except the Liberals (who championed the present law) contesting the recent election declared they were for forest management reform that would help "the little man" and discourage "monopoly."

What the new Social Credit government will do has not been indicated, but it is a safe guess that at the next session of the Legislature some changes will be made. Drastic revision, however, is not expected.

Meantime several major companies have applied for forest management licenses and would like to know when and if the government is going to get around to granting them.

First is Celgar Development, the newly created subsidiary of Celanese Corp. which announced plans for a $65 million integrated forest industry in the Arrow Lakes district and ran into opposition from Kootenay Forest Products, another holder of timber in that area.

The Liberal government, represented by Minister of Forests E. T. Kenney, approved the Celgar application but did not formally grant it, and now Mr. Kenney is no longer the minister, merely a private member of the House as a result of the June political debacle.

Then there is Hecate Development Ltd., representing a partnership of Powell River Co. and Aluminum Co. of Canada, which has been considering the prospects of building a kraft pulp and/or newsprint mill at Kitimat, using some of the surplus power resulting from the vast Kemano development. This is a project that seems certain to go ahead eventually; just when, depends on the government.

Similarly, government approval is required by Westminster Paper Co., which wants to build a pulp mill near Prince George, and Western Plywood Co., which contemplates a $20 million chemical pulp mill at Quesnel, to work in conjunction with its plywood plant there.

The pulp and paper industry in British Columbia consumes about 725 million feet B.M. of wood or approximately 21% of the total log cut of the coastal area. The wood species comprising this total were hemlock and balsam, 88%; spruce, 10%, and Douglas fir and others, the balance. Value of the industry's production represents about 25% of that of the total output of all the province's forest operations.

In the 11 years ending Sept. 15, 1951, wages in the industry have increased 50%, from a base of 56 cents an hour in 1940 to $1.40 an hour.

How the aggregate value of production has climbed in the past quarter century or more is shown by these figures:

	Total Tonnage	Newsprint %	Value
1925	225,000	80	$18,000,000
1940	330,670	64	23,000,000
1950	787,000	60	86,000,000
1951	962,787	40	116,000,000

These figures indicate a strong shift away from newsprint's former dominance, and this is due to the fact that the recently built mills have all been pulp producers—Port Alberni and Harmac (MacMillan & Bloedel) and Prince Rupert (Columbia Cellulose), but the trend will be interrupted when production from the new newsprint mill at Elk Falls becomes a factor.

Powell River Co. is also making changes in its machines to produce more newsprint. The market has favored such expansion because, even though pulp of certain grades has consistently sold at higher prices than newsprint, the latter has been in steadier demand and the price has continued to advance since the war years.

Mounting costs of production, plus the rising Canadian dollar which has made exports less profitable, are the major economic problems of the industry on the Pacific Coast just now. For that reason, operating men and administrative executives will be on the alert for ways of cutting costs while maintaining volume and quality of production.

The fact that so many of the west coast mills are comparatively modern—several of them completed only within the past three or four years—will be one advantage for the region in competition with others still using old equipment. But even here there is an offsetting factor, because the cost of construction of the new mills was naturally very much greater than in the case of the older ones. Hence the new mills must produce on a much cheaper operating basis to overcome the difference in the capital investment represented by them.

However, there has been no slackening in the pace of expansion on the west coast, and about the only impediment to activity during the past few months has been the construction strike. While the biggest single project completed this year has been the Elk Falls Co. newsprint mill, millions of dollars are currently being spent on other mills.

Powell River Co.'s latest $12 million development program started in 1950 and is due for completion in 1953, although the original schedule will probably be set back a few months owing to the building tieup and delay in delivering some machinery and materials.

Basic purpose of the present program is to speed up the company's paper machines to produce an estimated 130 additional tons of newsprint daily, and this objective will probably be reached before the end of this year. The plant has been producing about 1,000 tons of newsprint daily and about 140 tons of unbleached sulphite pulp.

But the over-all expansion program concerns many other projects besides increase in production. For instance, the company is building an entirely new deepwater wharf. The steam plant is being converted and an eighth boiler unit is being installed to burn hogged fuel, with a rated capacity of 150,000 pounds of steam per hour. A steam turbine is being imported from Switzerland. The groundwood mill is being extended.

The whole electrical distribution setup is being reorganized, and this involves one of the major electrical overhaul jobs in Canadian industry. It involves the erection of an electrical loop of about one mile around the Powell River plant. Power at 6,600 volts, on a six conductor loop will be carried on 22 steel towers, each 50 feet high. Power will be distributed to five substations and stepped down to the distribution voltage of 2,300 volts. A feature of the new system will be the main control centre to be located in the new steam plant extension.

In Northern B. C.

At Prince Rupert, major job under way has been the improvement of the digester system for Columbia Cellulose Co. and the installation of new water treatment and other facilities to bring production up to an average of 300 tons daily.

Incidentally, Columbia Cellulose Co. is now more directly under Canadian sponsorship than formerly since the organization of Canadian Chemical & Cellulose Co. headed by M. W. Mackenzie, former deputy minister of trade and commerce. This new organization, which is also the parent company of the new Canadian Chemical Co. at Edmonton, is in turn a subsidiary of Celanese Corp. of America, whose traditional policy has been to give as much local autonomy as possible to its corporations operating in countries outside the U. S.

The Edmonton plant, costing $55 millions and now well under construction, will, among other things, process pulp from the Columbia Cellulose Co. plant at Prince Rupert and produce acetate yarn and other textiles for the Canadian market.

While keeping a watchful eye on developments at Elk Falls, Pacific Mills has not been idle at Ocean Falls and Vancouver, where its main operations have been centred in the past. Pacific Mills still ranks as the most diversified pulp and paper producer in the province and is regarded as one of the most progressive affiliates of the great Crown Zellerbach Corp. in the U. S. Building of newsprint mills at Duncan Falls has removed the critical necessity of the Ocean Falls mill to expand—which would be a costly procedure in view of the limitations of power—but it has not curbed the resourcefulness of the company nor its determination to improve its operations.

The combined enthusiasm and aggressiveness of the Koerner brothers of Vancouver and Douglas Ambridge of Toronto have given impetus to Alaska Pine & Cellulose, whose Port Alice and Woodfibre rayon pulp mills plus sawmills and logging operations make it one of the most completely integrated forest using industries on the coast. Important improvements have been carried out at both the company's pulp mills at a cost of about $10 millions during the past two or three years.

Within a year the long-term program at the Harmac bleached sulphate pulp mill of MacMillan & Bloedel will be completed. This mill has been in almost continuous growth since it first went into operation in 1950. It was built at a fortunate time, being able to cash in on the peak market for bleached pulp. Present plans will result in doubling the mill's original size.

The MacMillan & Bloedel organization has not yet announced any change in policy respecting its Port Alberni kraft mill, although a lift in the market might result in increasing capacity there since it has been demonstrated that there is ample wood in the region to justify doubling production. However, the status of the Port Alberni mill has been altered somewhat since the merger of the MacMillan & Bloedel interests. The Port Alberni pulp mill was owned by Bloedel, Stewart & Welch originally and as such was deemed capable of utilizing the increasing volume of waste material from that company's Alberni sawmills and shingle plants. The Harmac mill was built by MacMillan and the company no doubt has been considering whether expansion for the immediate future should be concentrated there rather than undertake a separate project on the west coast (Port Alberni).

Big things are planned for Howe Sound Co. by its parent company, Canadian Forest Products, and some $6 millions is being spent at Port Mellon in modernizing this mill, which is to operate as an auxiliary to the big wood conversion plants of the CFP organization at Eburne, near Vancouver.

The Port Mellon mill has had an up-and-down career and knew its best period just after the war when pulp was high and hard to get and Sorg Pulp Co. at Middletown, O., found it expedient to operate the mill as a source of supply replacing hard-to-get Swedish pulp. When Swedish pulp again became available, Port Mellon costs were found to be too high and the plant was closed. But tied in with a big wood-utilization plant such as Canadian Forest Products the mill that was too costly for Sorg has a much more favorable economic status.

Westminster Paper Co. at New Westminster has also been expanding and doubling production with installation of a new paper machine for tissue and specialty grades. Another company that has continued to develop is the E. B. Eddy Co. subsidiary, Sidney Roofing & Paper Co., at Victoria.

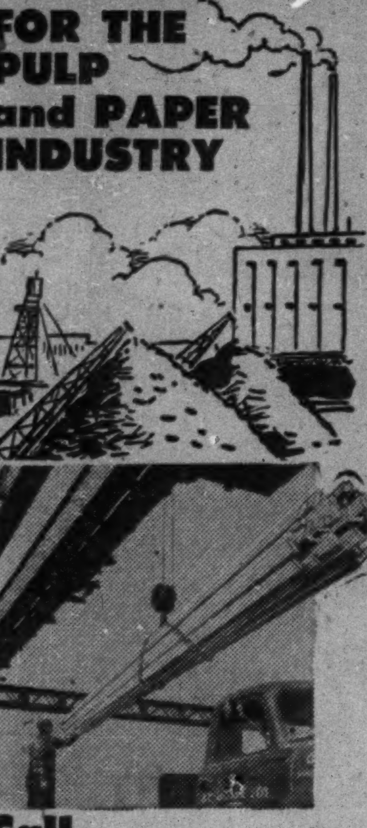
Bank Clearings For Vancouver Drop in August

From Our Own Correspondent

VANCOUVER — Bank clearings here took a sharp drop in August as a result of strikes in the lumber and construction industries and a forest fire closure.

Clearings for August came to $349,970,199, down more than $80 million from the $433,617,392 in July.

Effect of the strikes was piling up in August when fire hazard in the woods shut down the coast logging industry again. The August figure this year was approximately $13 million lower than for the same month last year.



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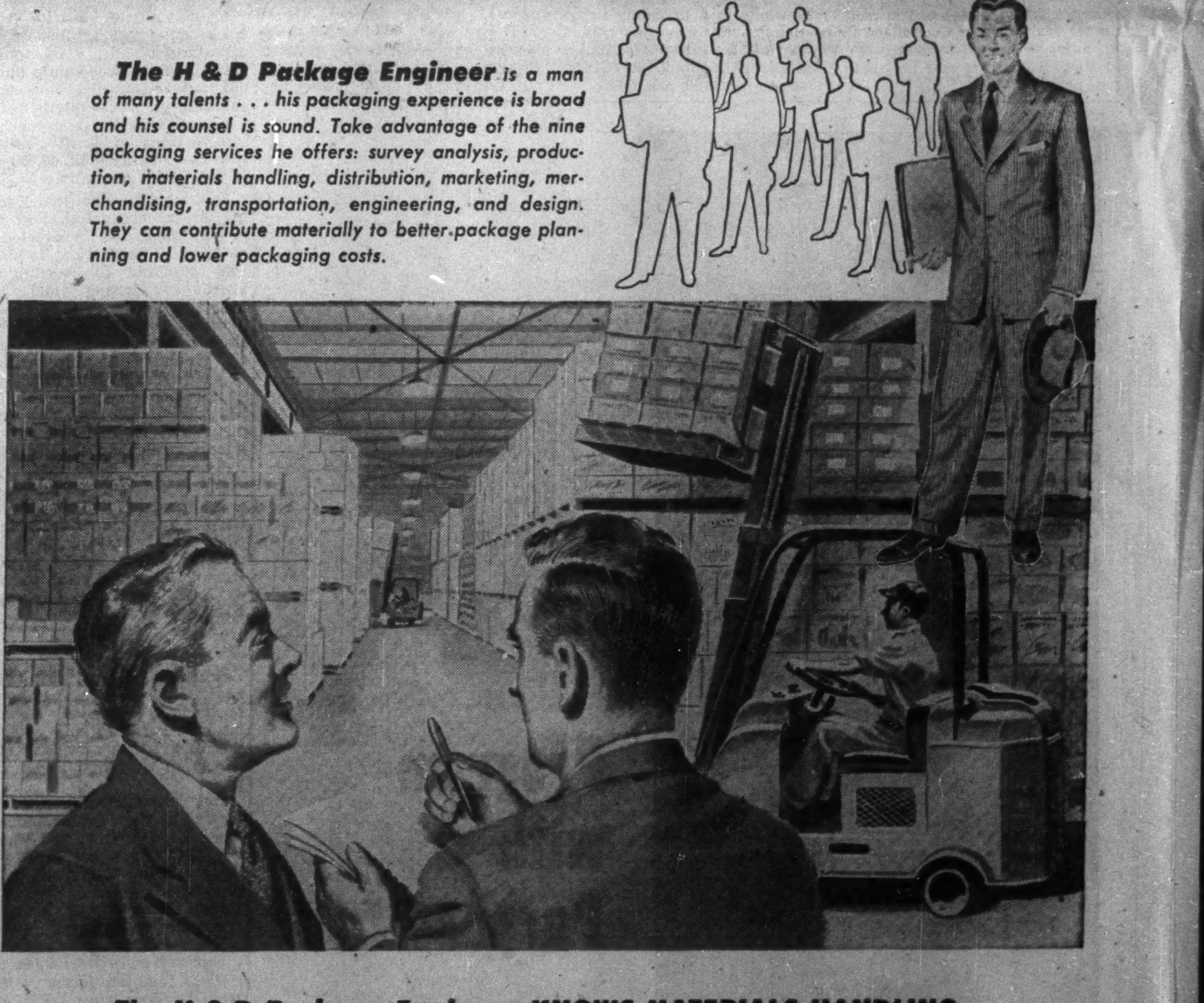

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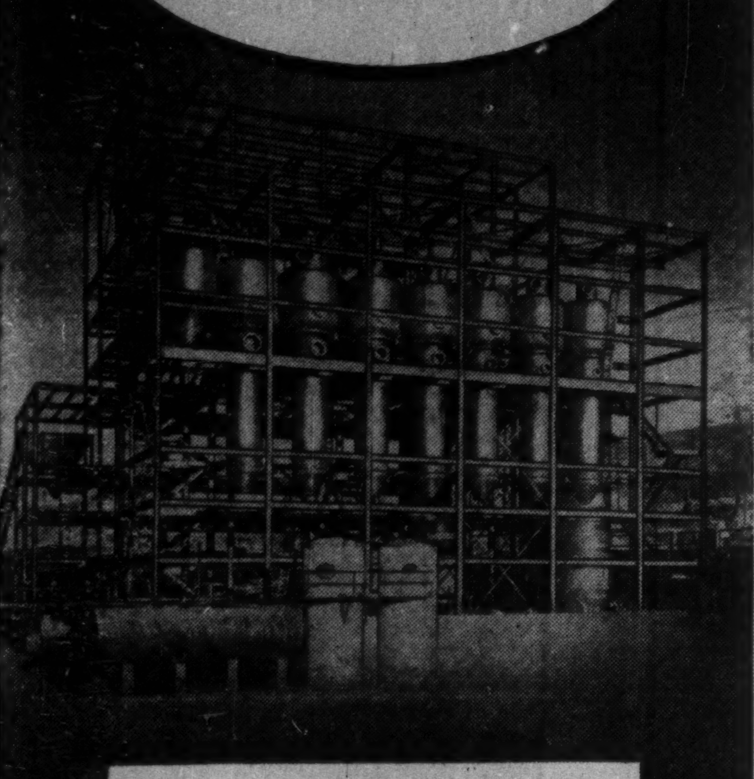

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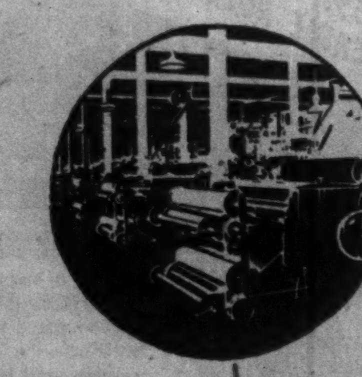

Superior

Pure Wool and Nylon Content

FELTS

In selecting Penmans Felts to supply your manufacturing needs you are assured of the best results. These better value felts are all scientifically processed to assure superior quality, strong construction, and exceptional durability.

We manufacture a complete line of Standard and 2-Ply Suction for Newsprint. Superfine Book Felts and Tissue Felts. Book, Board and Roofing. Groundwood, Sulphite, Dryer Felts and Specialty Felts.

Eastern Representative:
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Dominion Square Building,
Montreal 2, Quebec

Western Representative:
Industrial Coatings Limited,
237 East 4th Avenue,
Vancouver, B.C.

Penmans
St. Hyacinthe, Que.

Long-Term Planning For Pulpwood Harvest

The recent reduction in the hectic demand for pulp and paper which was so much in evidence last year is having its effect on plans for the pulpwood harvest in the coming fall and winter.

Mills stocked up on pulpwood last winter to make sure they could handle the tremendous volume of business they were doing. Now their wood piles are in a comfortably strong position, and they won't have to cut or buy as much this season.

The 1951-52 pulpwood harvest east of the Rockies was the biggest ever reaped in the history of the industry. Total cut was 14 million cords, compared with 12 million, the previous peak year.

How much less the industry will take out in 1952-53 isn't certain, but the total is expected to be substantially down from the past season unless there's some unforeseen big jump in demand.

The mills have to make arrangements for their supplies as much as 18 months before they actually use the wood for pulpmaking particularly in eastern Canada where it's normally cut in the fall and early winter, then gathered and hauled out. About 80% is floated down streams and rivers to the mills when the ice melts in the spring.

This time factor calls for careful forecasting of requirements, and the size of the cut planned is a reflection of industry thinking regarding the size of future demand.

Inventory Stability

There is a sharper variation in the size of the annual harvest than there is in wood consumption, because all forecasting has its limitations. For instance, when demand for pulp and paper increases, the mills may have to step up their pulpwood cut by a greater amount, relatively, than the increase in demand because the wood to be cut must be sufficient to support the higher production rate and also make up the depletion of inventories which goes on before the extra supplies can reach the mill.

When demand falls off, the mills are anxious to reduce inventories proportionately, and so the cut drops more than pulp demand.

Pulpwood production was 4 million cords in 1920, 6 million in 1930, 8½ million in 1940 and nearly 13 million in 1950. Final figures for the calendar year 1951 aren't yet available, but they'll probably exceed the 14 million mark.

Although export markets still get some of the wood cut on privately-owned forest lands, most of this large growth in pulpwood has been for use in Canada. The percentage going to the Canadian industry has increased to more than 85%, compared with 69% in 1920. Because of the terrific scramble in the U. S. and, to a lesser extent, in Europe, for all the pulpwood available, 1951 was an exceptional year. In the first half of this year, exports were down more than one-third from a year ago.

And with the demand for Canada's pulp, paper products on the increase, the problem of adequately maintaining and improving the country's forest resources has become of prime importance in providing for future growth of the industry and Canada generally.

In earlier days, when our living standards were lower, when our international trade was much smaller than it is today, people didn't worry too much about the forests. "There's lots more where that came from" was the attitude.

Forest Management

Today we are learning to value our trees. We know that they aren't much use, except perhaps for beauty, unless they're cut down when they're mature, so that they may be used to provide us with many of our most urgent requirements for daily living.

But we also know that we can't expect to have a good crop coming along each year if we cut them faster than they can be replaced by new growth.

Despite this knowledge, we have a long way to go before we can take very much pride in the way we look after our precious trees.

We still burn them in forest fires, we allow them to be ravaged by insects and disease. More wood is lost in this way each year than the whole pulp and paper industry uses in producing goods worth more than $1 billion annually.

We still allow some people to go in and strip whole sections of woodlands without regard for the future generations who must depend on our foresight now for their well-being.

We still don't know exactly how much wood we've got, so that estimates of what's growing and what's being taken away each year are still just estimates.

That's why it's important that more thought is being given to the forest problem, and more is being done about it today than ever before.

The Industry's Efforts

One of the most encouraging signs in Canada's forest picture is the variety and volume of work now going on within the pulp and paper industry to increase the productivity of Canada's woodlands. Pulp and paper, although it accounts for only one-fifth of the forest consumption, contributes more to Canada's wages, purchases, exports and production than any other industry. The pulp and paper industry, with a large stake in the forests, has been making strenuous efforts to put into practice a sound industry forest program.

The work going on to make the fullest possible use of our forests is taking many forms. The pulp and paper companies are actively studying, for instance, how to produce a greater yield of chemical pulp from each cord of wood, how to use a greater number of species in pulp manufacture, how to make more papers out of mechanical pulp — a type of pulp which doesn't use as much wood but from which it's difficult to make a sufficiently strong sheet of paper economically and with good color characteristics.

Most mills have made an accurate inventory of the wood on the limits under their control and are operating on a sustained yield basis. The pulp and paper companies have spent millions of dollars on fire protection. They're fighting the ravages of insects and disease with increasing success, using a number of different approaches which include building of more forest roads, the use of improved harvesting techniques, and some special means.

Success in New Brunswick

One of the most interesting anti-insect experiments — one which has been tremendously successful — was spraying from the air this spring, by a fleet of small aircraft, of a 300-sq.-mile area in New Brunswick infested with the spruce budworm.

The first large-scale air spraying attack ever attempted in Canada, the operation was virtually 100% successful, according to Federal Government entomologists who stayed behind to tabulate the results after the planes finished their 3-week job in June.

All sorts of tricky obstacles had to be overcome. Two landing strips had to be built to handle the aircraft. Split-second timing was required to keep the more than 20 aircraft flying during the short period in the early mornings when the wind was light enough to permit effective spraying.

Two million cords of pulpwood were at stake in the venture, and $500,000 was provided

(Continued on page 42)

THE KVP COMPANY LIMITED

Espanola, Ontario

Manufacturers of:

Genuine Vegetable Parchment
Bleached Sulphate Pulp
Bleached and Unbleached Wrapping Papers
Sulphate and Groundwood Specialty Papers
Newsprint Specialty Papers

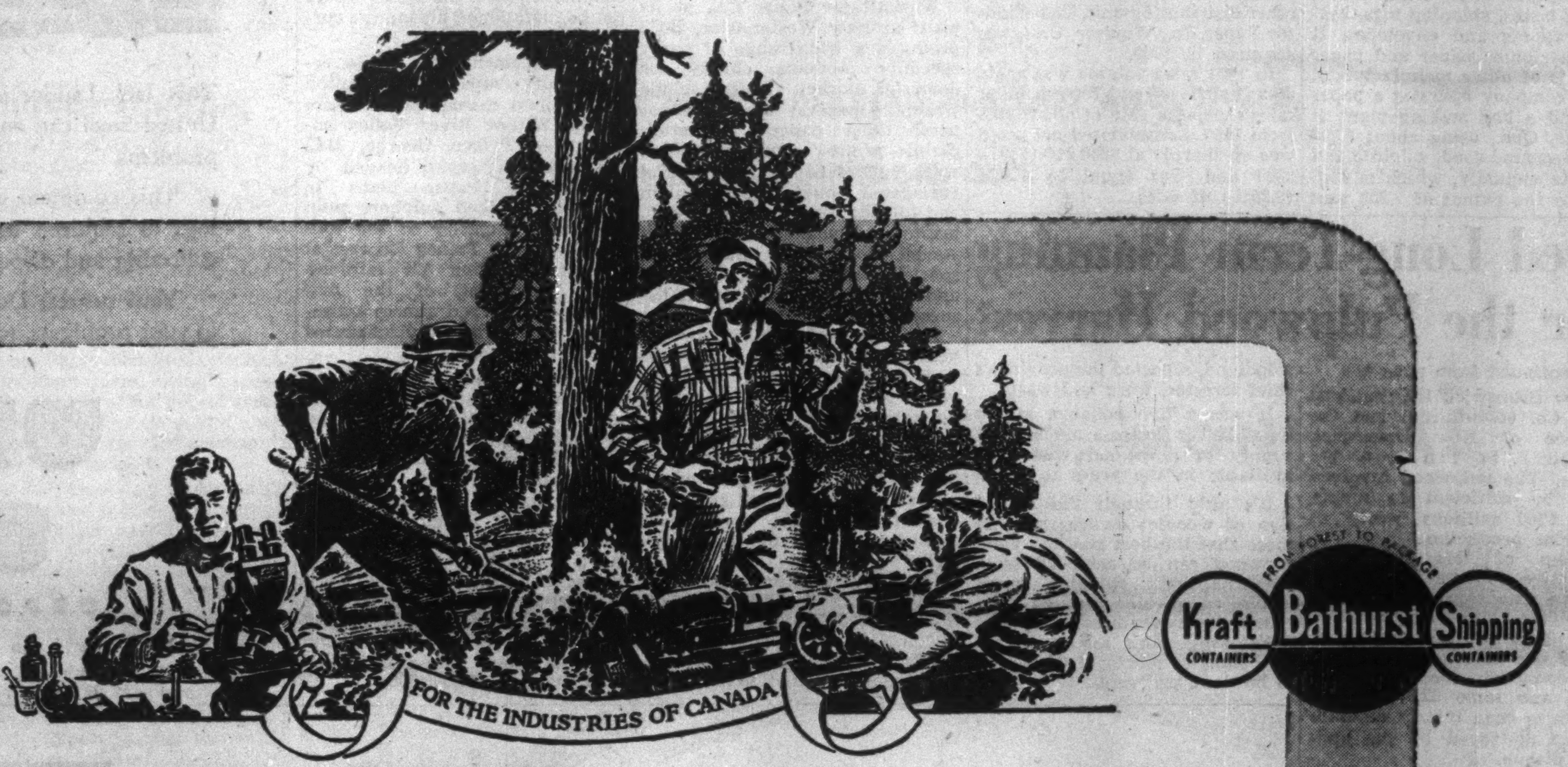
Associated Companies:

The Kalamazoo Vegetable Parchment Co.
Parchment, Michigan.

Harvey Paper Company
Sturgis, Michigan

Appleford Paper Products Limited
Hamilton and Montreal, Canada

KVP Company of Texas,
Houston, Texas.

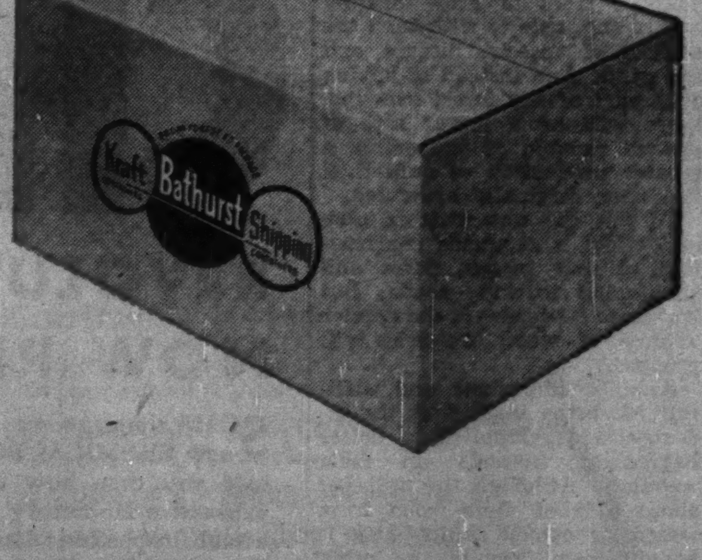


FROM FOREST...
...TO FINISHED PACKAGE

Successful production of modern corrugated kraft shipping cases and containers requires experienced selection of raw materials . . . the most careful processing . . . and expert fabrication. A unique feature of the Bathurst organization is that it carries this whole procedure through from start to finish . . . from the woodlands cutting areas to your own shipping room floor.

That is one reason why we can so confidently recommend the quality . . . value . . . and dependability of all products of Shipping Containers Limited and Kraft Containers Limited.

Buyers of shipping materials all over the country select our products for their superior construction and design . . . rigidity . . . and merchandising appeal. Offering a wide range of basic models, our plants are also fully equipped to plan and produce specialties designed for your own particular needs. If you have any packaging problems our engineering department can, we feel sure, be of service to you.



KRAFT CONTAINERS BATHURST SHIPPING CONTAINERS

52-1-E

KRAFT CONTAINERS LIMITED, HAMILTON, ONT. AND SHIPPING CONTAINERS LIMITED, MONTREAL, QUE., SUBSIDIARIES OF BATHURST POWER & PAPER COMPANY LIMITED, BATHURST, N.B.

The Newspring and Pulp Price Record

Year	NEWSPRINT (N.Y.) $	GROUNDWOOD PULP No. 1 Canadian $	GROUNDWOOD PULP Scandinavian (dry) $	SODA PULP Dom. No. 1 Bleached $	SULPHITE PULP Bleached Dom. No. 1 Book $	SULPHITE PULP Bleached Foreign Prime $	SULPHITE PULP Unbleached Dom. No. 1 Book $	SULPHITE PULP Unbleached Foreign Extra Strong $	SULPHATE PULP Bleached Dom. Northern $	SULPHATE PULP Bleached Foreign Prime $	SULPHATE PULP Unbleached Dom. No. 1 $	SULPHATE PULP Unbleached Swedish $
1939	50	21-32	21½-42	†51	†50-54	45-60	‡40-45	34-50		50-70	35-45	26-43
1940	50	31-35	40-50	†58-66	†60-72½	60-85	†50-67½	52-75	65-85	70-95	45-70	45-75
1941	50	31-33		†66	†72½	80-90	†63½	70-75	85-90	90-100	70-75	75-80
1942*	50	45-46		66	72½-76		63½-66		86		73	
1943*	50-58	46		66	76		66		86		73	
1944*	58	46-50		66-72	76-86		66-74		86		73	
1945*	58-61	50		76	86	86	74	74	86	86	73	73
1946*	67-84	50-64		76-93½	86-107½	86-107½	74-94	82-94	97-107½	94-107½	73-89	73-89
1946 (Dec.).	84	§70-80		105-110	105-115	115-165	85-95	95-133	100-110	110-120	80-95	90-95
1947	84-90	§75-85	107½-110	110-125	115-125	120-185	105-115	120-165	110-135	125-185	95-125	89-145
1948	96-100	§80-85		130-135	126-135	165-195	125-130	140-165	155-185	165-190	120-135	127½-147½
1949	100	§60-80		113-130	118-126	118-130	100-130	100-140	122-147½	125-165	82½-125	82½-127½
1950	100-106	65-100		113-142½	118-165	118-179	100-150	100-157	118-200	125-180	82½-155	82½-165
1951	106-116	85-100		140-142½	135-165	175-290	132½-150	153-265	135-200	180-315	132½-175	153-295
1st Qtr. 1952	116	95-100		♦155-160	♦160-175	225	♦150-160	200	♦190-200	230	♦145-175	200
2nd Qtr. 1952	126■	78-95		♦155	♦140-160	175-180	♦150-162½	155-160	♦190	180-185	♦135-170	145
3rd Qtr. 1952	126■	70-90		♦145	♦140-150	140-150	♦140	125-135	♦150-160	140-150	♦100-135	115-120

‡Where two prices shown, they represent high and low for the period. Prices are in U. S. dollars per air dry ton (2,000 lbs.).

†Quoted "ex-dock Atlantic seaboard." §Quoted "delivered."

♦"Domestic" prices in 1952 are Canadian prices. Prices in the U. S. are not shown as U. S. pulp producers have been selling under price ceiling regulations since the third quarter of 1951.

■Price increase effective only on sales in the U. S. The Canadian price remained unchanged from the first quarter at $112 per ton.

*From April 20, 1942, through Nov. 10, 1946, maximum prices for wood pulp and newsprint in the U. S. were fixed by the Office of Price Administration. Prices for European pulp were the same as the OPA maximum prices for domestic and Canadian pulp, plus freight charges over and above a fixed transportation allowance.

Note: There were no quotations for European pulp after September, 1941. Resumption of imports from Europe began in July, 1945. Prices for foreign pulp are quoted "ex-dock New York" or "ex-dock Atlantic seaboard" (except under OPA). Freight charges normally add $5-$10 a ton to pulp prices quoted "ex-dock." From mid-1949 to mid-1950, foreign pulp was quoted "full freight allowed."

Unless otherwise specified, domestic and Canadian prices are quoted "f.o.b. pulp mill" (with varying maximum freight allowances since December, 1946), except during OPA control when quoted "delivered," plus freight charges over and above specified maximum freight allowances. Quoted "full freight allowed" in most cases after July 1, 1949.

Source: United States Pulp Producers Association.

Report on Specialty Paper Producers

(Continued from page 39)

plastics for Canadian consumption and results to date and prospects have fully justified expectations, according to management.

J. C. Wilson

J. C. Wilson Ltd. manufactures and distributes paper and paper products, including wrapping paper, paper bags, toilet tissue, folding boxes, shipping tags, butter wrappers and envelopes. It also distributes paper and paper products of other manufacturers.

The company operates a paper mill and a bag making plant at Lachute, Que., using about 6,700 tons of groundwood, sulphite and sulphate annually, which is supplied to the extent of 1,200 tons by its own groundwood mill near St. Jerome, Que. Head office of the company is at Montreal, where it operates a box-making and printing plant, warehouses and facilities for distribution of its products. Branch offices are maintained at Winnipeg and Vancouver.

Ratcliffe Paper Co., a subsidiary, distributes paper and paper products in the Toronto area. Another distributing unit, The Windsor Paper Co., Windsor, Ont., was acquired in 1949.

In 1951 sales volume was again at a high level and record dollar sales showed a gain of about 25% from 1950. Consolidated net profit was up sharply at $330,046 ($197,230) and was equal to 4.35% (3.20%) of sales.

At the year end, inventories totaled $1,020,598, up $265,000 from Dec. 31, 1950. Inventories turned over an average of six times during the year.

Capitalization, at the close of 1951, consisted of 205,700 n.p.v. common shares authorized, 165,750 issued and outstanding.

Westminster

Westminster Paper Co., at its plant at New Westminster, B.C., produces a wide range of paper specialty products, chiefly for domestic market. These include wrapping papers; decorative papers; toilet papers; serviettes, plain, printed and embossed; watermarked papers in plain and variegated colors; towels, plain and folded; fruit wrappers, plain, printed, imprinted and oiled; waxed papers, plain and printed; special designs for bread, meat and other food wraps; facial tissues; many other special papers.

Net profit of $626,741 for the year ended Jan. 31, 1952, was 48.77% higher than previous year's net of $421,255. Increased net sales were the result of higher volume and selling prices. Increased cost of raw materials and labor was partially offset by improved production and increased use of lower cost groundwood manufactured in the company's mill.

Capital expenditures last year totaled $1,020,027, and an additional $800,000 will be required to complete expansion during the current fiscal year. The new production is expected to be available by Jan. 31, 1953.

First mortgage bonds totaling $840,000 were issued during the last fiscal year. Balance of series A first mortgage bonds was redeemed.

Plant operation at full capacity was expected to continue, stated President E. M. Herb in the 1951-52 annual report. He warned, however, that high profit levels common to most industries would not be maintained during the current year.

Announcement was made recently of company's application for a forest management license in the Willow River Valley adjacent to Prince George, B.C. An investors' group headed by Westminster Paper plans to build a bleached sulphate pulp mill, with capacity of 300 tons per day, near Prince George, at a cost exceeding $25 millions. Pulp production of the mill would be reserved almost entirely for members of the interested group, it is stated.

Earnings and dividends on Class A stock last year were $6.27 and 50c respectively ($4.21 and 50c the previous year) and, on Class B shares, $1.92 and 35c ($1.24 and 25c).

Capitalization outstanding at Jan. 31, 1952, including $480,000 3¼% Series B bonds, maturing April 1, 1954-59; $840,000 4¾% Series C bonds, maturing April 1, 1960-67; 100,000 Class A $2 cumulative shares; and 300,000 Class B shares. Class A and Class B stock has a combined book value of $1,000,000.

Need Long-Term Planning For the Pulpwood Harvest

(Continued from page 41)

by New Brunswick International Paper Co. (two-thirds) and the Province of New Brunswick (one-third) to finance the scheme. The pulpwood involved would be sufficient to supply about $200 millions worth of newsprint production.

Success of this bold and imaginative venture is likely to mean an extension of the battle against the budworm by this means. This insect is present in roughly one-third of the accessible productive forests of the nation, and some 22,000 square miles have been utterly devastated and destroyed by the budworm plague.

Maturity Problem

In addition to fighting insects, fire and disease, the industry, also has to do battle with the problem of old age. Much of Canada's forest area is mature or over-mature. Not only does this provide part of our woodlands with an inviting spot for disease and insects, but the trees themselves represent an obstacle to new growth.

One company, for instance, by using more accurate methods of taking the forest inventory, including aerial photography, found that its forest management plan wasn't making the optimum use of the available limits.

It revamped its plan so that it now calls for clear cutting some of the mature and overmature stands, selective cutting where the ages of the trees are uneven. It will take at least 40 years at the present rate of cutting just to take care of the overmature and mature stands.

In both the clear cutting and selective cutting areas, taking out the mature and overmature trees will clear the way for the younger trees to grow healthy and strong, able to withstand the attacks of insects, disease and the wind. And instead of having only part of the forest growing, there will be a larger rate of growth capable of supporting a greater production of pulp than had been originally estimated.

To put the new cutting plan into effect is requiring construction of new camps, dams and year-round trucking roads. But it's worth it because of the greater volume of wood the area will produce.

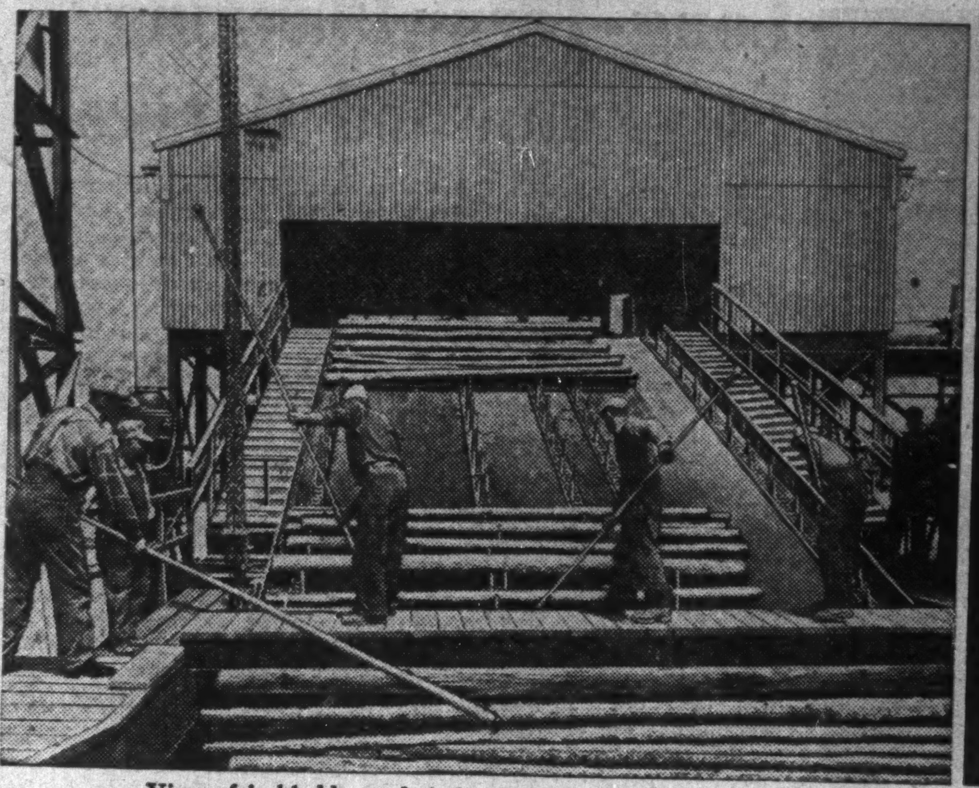
Another important and difficult job being tackled by the industry is development of better harvesting methods on farm woodlots. Although the mills get about 67% of their wood from leased or owned limits, 22% is bought from farmers and other small woodland holdings. The remaining 11% comes from other purchases, including waste slabs from sawmills.

The producers have it within their power to make sure their own limits are properly managed. But if their supplies from small woodlots are to continue, perpetual yield, harvesting on these areas too is essential.

What can happen to woodlot supplies if cutting is haphazard is illustrated in the experience in Prince Edward Island recently. With demand for pulpwood exceptionally strong and prices the highest in some years, farmers and other small woodlot owners cut their trees and sold them at a terrific rate. From only a small figure, value of pulpwood production last year shot up to $2 millions. Whole sections of woodland, reported the province's chief forester, were laid waste.

It was a fine bonanza at the time. But it meant a much lower supply of pulpwood would be available in the years to come.

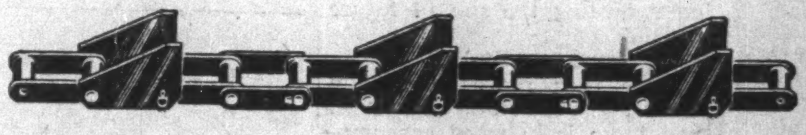
It's only through the education of woodlot owners such as these that the best possible yield of wood can be achieved from the small but valuable forest holdings spread through the country. It requires a lot of painstaking work and considerable sums of money if the job is to be done properly.



View of jackladder and slasher house. A total of 10 strands of Dodge log hauler chain conveys 8', 12' or 16' logs, up to 30" in diameter, up to and through slasher house.

United Steel
SPEEDS
HANDLING
AT NORTHERN ONTARIO
PULP AND PAPER
MILL!

UNITED STEEL CAN INCREASE *Your* PRODUCTION TOO!

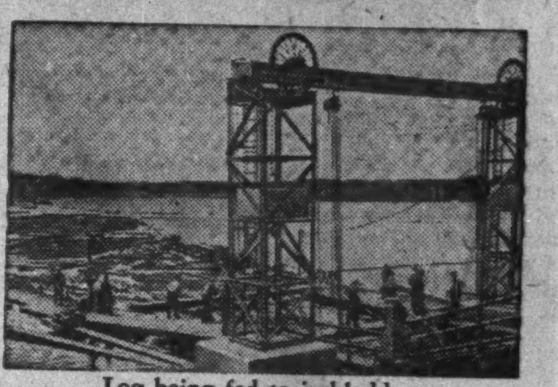


This Jack Ladder installation is a prime example of what United Steel can engineer to solve your materials handling problems.

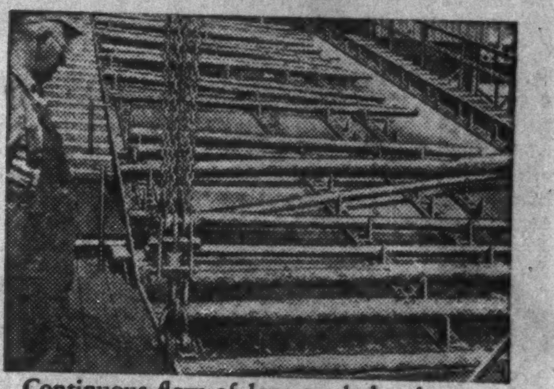
This complete handling system includes the cutting of logs to required lengths, plus the mechanical methods of collecting and disposing of "cookies" and sawdust.

Your nearest United Steel representative will assist you in your problems, too.

UNITED
STEEL
CORPORATION LIMITED
TORONTO • WELLAND • MONTREAL • WINNIPEG • KIRKLAND LAKE



Log being fed to jackladder.



Continuous flow of logs to slasher house.

Jackladder raised clear of water for winter. Counter-weight towers allow for summer water fluctuation.

52-23M

MILLS CLEAR ACROSS
THE COUNTRY
CLAIM AMAZING SUCCESS
WITH DOMINION RUBBER'S

NO GROOVING!
25% MORE USEABLE RUBBER
NO SHELL WEAKENING!

FIRST INSTALLED
. . . in a large Quebec pulp and paper mill, this CHEMICAL BOND suction press roll is still operating satisfactorily after three years service, and is showing practically no signs of wear!

CHEMICAL BOND* SUCTION PRESS ROLLS

REVOLUTIONARY NEW DEVELOPMENT NOW PROVED TO MEET ALL CLAIMS!

SOME time ago we announced our revolutionary new CHEMICAL BOND Suction Press Rolls. We told you then how they had already undergone exhaustive laboratory testing. And we showed the actual inspection data and mill comments of a large Quebec mill where CHEMICAL BOND Rolls were tested for nearly three years under actual operating conditions.

There was good reason then to believe that CHEMICAL BOND Rolls would result in radical improvement in suction press operation in *all* mills.

Actual results have now made our first dramatic claims seem overcautious! From coast to coast — in mills of all sizes — performance of the new rolls has outdone prediction! Exceptional results are being reported in reducing maintenance and expense. In every instance overall machine efficiency has shown spectacular improvement.

MAJOR CAUSE OF ROLL FAILURES ELIMINATED BY DOMINION RUBBER'S CHEMICAL BOND PROCESS

Looseness was the big trouble with old style roll coverings. Many a roll had to be discarded because the cover worked loose long before it was worn out. *The new CHEMICAL BOND process positively eliminates looseness forever!* It does not depend on mechanical adhesion, but is integrally bonded to the roll by an entirely new chemical method which assures positive adhesion.

DOMINION RUBBER CHEMICAL BOND PROCESS

This exclusive patented process is an all-Canadian development. It is another in a long list of Dominion Rubber "firsts" for the pulp and paper industry, which include 48-oz. Duck and Ustex*-Nylon Conveyor Belting, P.L.P. Hose, and Wax & Gum Treated Fire Hose.

*Trade Mark Registered.

NEVER BEFORE ROLL COVERINGS WITH THESE OUTSTANDING ADVANTAGES!

By bonding the rubber cover positively to the bronze shell, Dominion Rubber's sensational new CHEMICAL BOND process offers advantages never possible with mechanically bonded rolls.

✓ *Bonding Entirely Chemical!* Exclusive Dominion Rubber Process enables rubber to be bonded inseparably with the bronze shell. Looseness is eliminated.

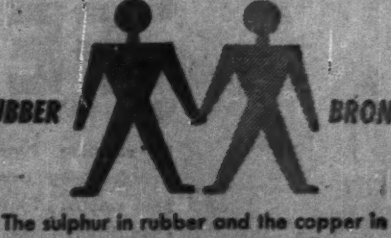
✓ *No Grooving Necessary!* No resultant weakening of the shell. The core is stronger and withstands higher pressures.

✓ *25% More Useable Rubber!* CHEMICAL BOND process results in 25% more useable rubber — 25% longer life than could ever have been possible with the most successful mechanical bond roll!

✓ *Unequalled Savings!* Maintenance and replacement costs have been positively proved to be far lower than for any type of mechanical bond roll ever used!

A Dominion Rubber technical representative will be glad to give you full details on the many ways in which this great new development can cut costs on your machines. Call or write our nearest branch.

NATURAL ENEMIES MAKE FRIENDS!



The sulphur in rubber and the copper in bronze are natural enemies. Prior to Dominion's exclusive new CHEMICAL BOND process they had never been united successfully. Now, by means of an entirely new kind of chemical barrier, or bonding area, the two become inseparable! The barrier, a thermo-setting material, is not affected by heat.

DOMINION RUBBER
RUBBER PRODUCTS FOR EVERY INDUSTRY
ENGINEERED
BRANCHES IN PRINCIPAL CITIES

Demand Upswing for Building Papers

New Products, Major Expansion Industry Faces Bright Prospect

Our Wood Pulp Production

	Production 1951	Production 1950	Exports 1951	Exports 1950
Bleached Sulphite	843	761	607	558
Dissolving	398	336	363	290
Paper Grades	445	425	244	268
Unbleached Sulphite	1,690	1,450	555	411
Sulphate	1,213	1,054	709	582
Bleached	557	450	476	392
Unbleached	656	604	233	190
Soda & Semichemical	118	103	33	33
Chemical Screenings	84	73	10	8
Mechanical	5,214	5,000	323	248
Mechanical Screenings	49	33	6	6
Total all pulps	9,211	8,474	2,243	1,846

Source: Canadian Pulp & Paper Association.

After a slow start in 1952, business is again picking up for manufacturers of building products containing paper. The number of house constructions started in Canada in the first half of this year fell about 16% below 1951's unprecedented activity, and houses completed were reported to be 24% fewer.

But this summer, the housing industry has turned the corner and building, papers — roofing, wallboard, insulating board, etc. —are once more in demand.

The drop in business last winter followed a year in which several companies set new sales and profit records. Most manufacturers, therefore, see this year's lower volume as a return to more normal business conditions rather than as anything resembling a market break. The supply situation became much easier this year, and builders' orders are now being filled more or less currently.

Looking to the future, a number of producers have expanded their production facilities, and have experimented in the marketing of new products—such as laminated plastic building paper—during the past twelve months.

Arborite

The Arborite Co., a subsidiary of Howard Smith Paper Mills Ltd., manufactures decorative paperbase laminates for decorative wallboard and table or countertop application, plus a complete range of paper and cloth laminates for electrical and other industrial uses. These are sold under the general name "Arborite."

The company was formed in 1947 and occupied a new plant at Ville La Salle, Montreal, in 1948.

A large expansion program, which will make The Arborite Co. one of the top three producers of decorative materials of this type in America, was announced last year. It is expected to be completed by the end of 1952 and the additional equipment being installed will boost the present 3,000 ton annual capacity by an estimated 50% and add to its flexibility.

Financial statistics of Arborite Co. are consolidated with those of the parent company. In the latter's report on 1951 operations it was stated that during most of the year, demand for its products was greater than capacity to supply.

Building Products

Building Products Ltd. manufactures asphalt shingles and tiles, roll roofing, roofing felt, wallboard, insulating board and sidings, building papers, expansion joints, waterproof paints and cements, fire retardant coatings, and allied products. Trade names include B.P., Neponset, Ruberoid, Bird's, Vulcanite, Insul-Board, Insul-Bric, Insul-Board Dry Wall, Albi, etc.

Over 50 different types of roofing and other building products are marketed.

Since 1947, the company has been the prime distributor of Fiberglas building insulation, made by Fiberglas Canada Ltd., Oshawa, Ont.

At Pont Rouge, Que., the company operates a two-machine paper mill with additional facilities needed for converting part of its paper output into wallboard and insulating board; at Montreal, a one-machine paper mill, turning out roofing felts and shingles, and a roofing plant, producing asphalt roofing, shingles and sidings and building papers; at Winnipeg, a one-machine paper mill with facilities for converting part of its paper output into wallboard and insulating board, and a roofing plant.

Roofing plants are also operated at Hamilton and Edmonton, the latter having started operations in the fall of 1951.

The company also has a rock-crushing and coloring plant at Havelock, Ont., quarries and a rock-crushing plant at Madoc, Ont., and warehouses at Toronto, Halifax and Saint John.

Capital expenditures in 1951 totaled $1,191,319. Main items were the new Edmonton roofing mill and expansion of capacity at Pont Rouge. At the year-end, commitments for capital expenditures amounted to $133,573, mainly to improve shipping at Hamilton and expand the warehouse at Saint John.

Dollar sales in 1951 hit a new high for the ninth consecutive year, Average net profit per sales dollar was lower, due to higher operating costs, and net income before taxes showed little change at $3,062,516 ($3,062,708). After taxes, net profit was off 16.4% at $1,502,516 ($1,797,708).

Sales for the first two months of 1952 ran behind the rate of the same period of 1951, President L. S. Odell told shareholders at the annual meeting earlier this year. He commented that as the rate of residential building had decreased, the company's products were in free supply, thus reducing the inducement for dealers to stock up during the winter.

Donnacona

The Donnacona, Que. manufacturing facilities of Donnacona Paper Co. include an insulating board mill with an annual capacity of 100 million sq. ft. Products of the board mill include rough cast and laminated insulating board; roof insulation and plaster lath; rough cast, smooth and colored boards; burl board for interior finishes; decorative specialties; Donnacousti sound absorbing board; asphalt impregnated board; insulated brick siding; refrigerator and special industrial board; termite-proof board; and hard pressed board and tile.

Last year, it was stated in the company's annual report, demand for all products remained strong with the exception of domestic demand for insulating board which slackened off during the final quarter.

See under newsprint companies for main report on Donnacona.

Int. Fibre Board

International Fibre Board Ltd., a subsidiary of Canadian International Paper Co., manufactures "Ten-Test" insulating building board, a wood fibre product.

Its plant at Gatineau, Que., produces some 120 million sq. ft. annually. This includes "Ten-Test" insulating board, "Termite-Test" (insect-proof) insulating board and acoustic board for acoustical correction. Distribution of production is handled by another C.I.P. subsidiary, International Fibre Board & Plywood Sales Co.

International Paper Co., which controls Canadian International Paper Co., stated in its annual report on 1951 operations that insulating board production in Canada last year totaled 46,579 tons, against 36,961 in 1950 and 18,574 in 1940.

Outstanding capitalization of International Fibre Board Ltd. consists of $1.5 million $100 par first preferred stock; 65,000 $6 non-cumulative $5 par second preferred shares; and 10,000 n.p.v. common shares. It has one subsidiary, Tentest Fibre Board Co.

Operating statistics are consolidated, along with those of Canadian International Paper Co., with International Paper Co. figures.

Masonite Co.

Masonite Co. of Canada Ltd., controlled jointly by Canadian International Paper Co. and Masonite Corp., manufactures Masonite tempered and untempered Presdwood, Masonite Temprite tile and Masonite flooring at its Gatineau, Que., plant. Distribution of products is through International Fibre Board & Plywood Sales Ltd. and sales are made in Canada and to export markets other than the U. S.

The company's $300,000 mill, which started operations in 1940, has a present capacity of 265,000 sq. ft. daily of all kinds and grades of "Masonite" board.

Individual financial and operating statements are not submitted for publication.

St. Regis

St. Regis Paper Company (Canada) Ltd., besides its large multi-wall bag operations, produces laminated plastics at a new plant in St. Johns, Quebec. It was designed to supply the Canadian market requirements for industrial, refrigeration and decorative Panelyte, the company's trade name for its laminated plastics and represents an investment of over $2 million. Panelyte had previously been supplied by the Trenton, N.J. plant of the parent concern, St. Regis Paper Co.

Production started in June, 1951 and results to date and prospects have fully justified expectations, according to management.

Panelyte is a hard dense material formed by hot pressing fibrous sheets (of paper, fabric or fibre materials) previously impregnated with synthetic resin. It is supplied in sheets, rods, tubes, molded forms and fabricated parts. It is also supplied in sheets in decorative style. It has many applications in various industries and in household and business interior decorating and furnishing.

Sidney Roofing

Sidney Roofing & Paper Co. operates plants at Victoria, B.C., and Lloydminster, Sask., and, through a subsidiary, at Vancouver.

Roofing products, building papers, paperboard and paperboard cartons are manufactured at Victoria.

A wholly owned subsidiary, National Paper Box Ltd., operates a Vancouver plant, using paperboard products of the parent company to manufacture a full line of paper boxes. Its sales increased substantially in 1951.

The Lloydminster, Sask., plant makes asphalt roofing and siding, and distributes well-known construction materials. The new Lloydminster plant commenced operations in August, 1951, enabling company to serve a larger trading area. It accounted for a large part of last year's capital expenditures of $808,000, stated President R. W. Mayhew.

The E. B. Eddy Co., subsidiary of Eddy Paper Co., has owned a controlling interest in Sidney Roofing since 1949.

Consolidated net profit in 1951 was $235,162, down 34.9% from previous year's net of $361,503. Earnings per Class A share were $4.70 ($7.23 in 1950) and dividends paid 90c (90c). Earnings on Class B stock were $1.90 per share ($3.17), and no dividends were paid in either year.

Government restrictions on new construction, aimed at conserving materials in the interests of defense, and credit restrictions on residential construction, hampered sales of the Roofing Division in 1951. Through operations of the new Lloydminster plant, however, sales volume was maintained at the 1950 level.

While demand for construction materials continued to decline in the early months of 1952, the president predicted that new products, and new applications of existing products, would help to maintain sales volume equal to that of 1951.

Quebec Shows Surplus Down

MONTREAL (Staff) — Record revenues and expenditures are shown by the Province of Quebec in its abridged statement for the year ended March 31, 1952, issued last week. Over-all surplus amounted to $1.8 million, against $4.2 millions in 1950-51.

Total revenues climbed to $275.7 millions from $238.7 millions and ordinary expenditures were higher at $213.6 millions ($200.7 millions), giving a surplus of $61.2 millions ($38 millions) on ordinary account. Substantially higher capital expenditures of $60.3 millions (33.8 millions) absorbed this gain.

Among the larger revenue items were taxes on corporations at $68.7 millions ($55.7 millions); gasoline at $47.6 millions ($35.5 millions); sales (gross) at $35.9 millions ($32.8 millions); motor vehicles at $18.7 millions ($16.5 millions); succession duties at $12.4 millions ($13.0 millions).

Biggest item of ordinary expenditure was for health at $36.7 millions ($37.1 millions). Expenditures on education totaled $26.4 millions ($24.1 millions), on social welfare and youth $20.4 millions ($21.4 millions). Ordinary expenditures on roads rose to $22.6 millions ($18.6 millions), while capital expenditures on roads rose sharply to $44.22 millions ($23.9 millions).

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Contracts Recently Completed
POWELL RIVER DEVELOPMENT PROGRAM, Powell River, B.C.
BLOEDEL STEWART & WELCH LTD.— Sulphate Mill at Port Alberni, B.C.
H. R. MacMILLAN EXPORT CO. LTD.— Sulphate Mill at Nanaimo, B.C.
COLUMBIA CELLULOSE CO. LTD.— Cellulose Mill at Prince Rupert, B.C.

Contracts Being Completed
ELK FALLS COMPANY LIMITED— Newsprint Mill at Duncan Bay, B.C.
HOWE SOUND PULP COMPANY LIMITED— Sulphate Mill, Port Mellon, B.C.
GRANVILLE ST. BRIDGE—Vancouver, B.C.
CANADIAN BANK OF COMMERCE— Main Office, Vancouver, B.C.
ALCAN PROJECT— Member of Kitimat Constructors
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BRITISH COLUMBIA BRIDGE & DREDGING CO. LTD.
544 HOWE STREET VANCOUVER B.C.

$65 Millions in Fine Paper Output

Customer Cupboards Getting Bare, Demand On Upswing

In the pulp and paper industry the fine paper manufacturers are relatively few in number. But their output includes several basic types and more than 500 different kinds of paper.

In many respects this section of the industry is the custom-tailoring branch, because its products have been developed and manufactured to supply such a wide variety of consumer requirements.

The 248,000 tons produced in 1951 was not large in relation to some other sections of the paper industry, particularly newsprint. But the value of the fine papers is higher per ton than the others. Thus although physical volume produced was less than 5% of newsprint production, the value of fine paper output—an estimated $65 millions—was more than 10% of the newsprint industry total.

An idea of the variety involved is seen in the output of one Canadian fine paper company which makes more than 200 grades of paper on 11 machines, ranging in weight from a very light toilet tissue to a heavy paperboard.

Included in that manufacturer's line are consumer products such as toilet tissue, towelling, serviettes and bags; fine papers such as bonds, ledgers, offsets, duplicatings, writings, books, etc.; specialty papers such as base stocks for waxings, cups, laminates, and other converted products; heavy Fourdrinier sheets such as Bristols and tags; a very wide variety of paperboard and standard newsprint.

The output of this company illustrates the difficulty of segregating the fine papers from closely allied types frequently made by fine papermakers. Standard newsprint and paperboard made by this manufacturer aren't fine papers, but it's often hard to draw the line between some specialty items and some of the so-called fine papers.

Even the groundwood book paper, classified normally as one of the fine paper grades, is not far removed from newsprint. It contains more than 50% groundwood pulp and might be called a half-tone news-grade paper.

And the container paper that goes into milk containers also rates as a fine paper, coming in the group labeled by the industry "miscellaneous fine."

The production of products other than fine paper, as shown in the example of the company cited above, is typical of most manufacturers in the fine paper industry. Virtually all make specialty papers. One mill whose main output is wrapping paper also makes rotogravure paper.

Producers normally classify their fine papers in four main groups: bond and writing papers, book papers, groundwood book papers, and miscellaneous fine paper.

Main reason why they make a lot of other items is that the other products can be made easily on the equipment used for fine papers. About 30-35 machines are engaged in making fine papers in Canada. These are located in 17 different mills, operated by 10 companies. Some of the papers thus produced are further processed in three additional Canadian coating mills.

There's a historical reason for the wide variety of fine papers made. Imports from United States and Britain provided a major part of the Canadian supply originally, and some Canadian consumers developed a preference for the American types, some for the British.

To cater to these preferences Canadian makers trying to compete with the imported papers for the available business had to develop lines which would meet the greatly varied demand that resulted from this dual allegiance in the Canadian market.

Then, too, because of tariff barriers raised by other countries against fine papers, Canadian producers have had to build their volume on domestic business almost entirely. Last year, for instance, of the 248,000 tons produced, only 29,000 were sold outside Canada. The only way to develop any sizeable volume, therefore, was to try to make as many different types as possible.

Accomplishing this hasn't been easy. Equipment had to be designed to handle short runs and many different grades. Demand for some types of paper — machine-coated papers and, to a lesser extent, sulphite bonds and offset papers—has developed in some volume, but in the main there's very little mass production possible.

Inviting Market South

If the fine papermakers here could get a chance at the huge U. S. market the story might be very different. Plants would have to be redesigned and re-equipped for the big production runs such a change would bring, but even though some business would be lost to the U. S. manufacturers, on some items at least, it's believed the Canadian makers would be able to hold their own and develop much faster than is now possible.

Chances seem rather slim, however, that the U. S. will drop its tariff barriers. So the fine papermakers are having to base their growth on a consumption rate about one tenth the size of that in the U. S., yet with almost as great a range in products as exists south of the border.

So far the industry has managed to keep pace with the needs of Canadian consumers. Production has grown from 68,000 tons in 1920 to 133,000 tons in 1939 and 248,000 in 1951. The increase between 1939 and 1951 represents a 90% jump in just 12 years, virtually all to meet Canadian consumers' needs.

Some of the groundwood book papers are relatively cheap. Prices increase as the range goes up into the papers made chiefly or wholly from chemical pulps. The finest grades, made entirely from rags, sell for as much as $1,500 a ton.

Consumer uses include such items as telephone directories, catalogues, blotters, drinking cups, milk containers, wallpapers, magazines, books, ticker tape, letterheads, business forms, showcards, fine stationery, blueprints, ledger sheets, stock certificates, wedding invitations, safety cheques and currency.

Among the fine papers there are lightweight grades which caliper two one-thousandths of an inch or less, and there are heavy grades of 20 times that thickness. Allowable tolerance in the production of some fine papers is as little as one quarter of one-thousandth of an inch.

One of the producers has made use of a Betameter in handling the problem of exact weight and claims to be the first fine paper mill in the world to have successfully accomplished automatic weight control by the use of atomic energy in the manufacture of lightweight papers.

Manufacturers say that many customers overbought in anticipation of a shortage and inventories larger than necessary were built up. As a result buying fell off toward the end of last summer and the backlog of orders soon disappeared. Deliveries of forward orders came in sooner than expected to wholesalers and the pipe lines became clogged.

There are some signs that at last stocks are getting down to more normal levels. It's not always easy to tell to what extent they have really been depleted, however, because, as one manufacturer pointed out, the producers know fairly well what's in the hands of the wholesalers, but it's much more difficult to know how much paper is still held farther along the channels of distribution.

Consumption usually follows general business activity, however, and, with the currently favorable conditions existing, an increase in sales toward the end of the year appears possible. Production for the full year, nevertheless, is expected to be below the record 1951 level.

Alliance

Alliance Paper Mills Ltd., a wholly owned subsidiary of Howard Smith Paper Mills Ltd., owns two paper mills and a sulphite mill at Merriton, Ont., and a coated paper plant at Georgetown, Ont.

The Lybster Mill at Merriton is the sole Canadian producer of a wide variety of greaseproof, glassine, cellucine and carbonizing paper. The Lincoln Mill turns out bleached and unbleached sulphite pulp, and various tag stocks, boards and duplex papers. Finally, the Georgetown coating plant manufactures coated book, coated litho and coated specialty papers.

Don Valley Paper Co., a subsidiary of Alliance, has a paper mill at Toronto producing cover, blotting and many specialty papers and bristols. A sub-division of this plant makes printed flour, potato and other bags and sacks.

Total annual capacity of the various Alliance plants, not including a new paper machine at Merriton, is as follows: two paper mills with two Fourdrinier machines of 10,000 tons capacity and a cylinder machine of 4,000 tons capacity; a sulphite pulp mill of 30,000 airdry tons capacity; and a coating plant of 7,500 tons capacity. The new machine at the Lybster Mill, designed for production of light-weight papers, has a capacity of about 5,000 tons annually.

Another Alliance subsidiary, Lincoln Pulp & Paper Co., holds by Crown lease about 281 sq. miles of timber limits adjacent to the Little Cascapedia River, Que.

Financial and operating statistics are consolidated with those of Howard Smith Paper Mills Ltd.

Eddy Paper

Eddy Paper Co. is an investment and holding company. Its subsidiary, the E. B. Eddy Co. (which see), operates an integrated pulp and paper organization manufacturing and distributing a wide range of paper products.

Outstanding capitalization of the parent company, at Dec. 31, 1951, consisted of $4 millions $1 cumulative convertible non-callable $20 par class "A" stock; and 200,000 no-par-value common shares. The outstanding common shares are all owned by the J. R. Booth Ltd.

Outstanding funded debt of the subsidiary at the close of last year included $5,775,000 3½% and 4% first mortgage sinking fund bonds. In April, 1952, it sold $4.8 millions 4¾% first mortgage sinking fund bonds Series C.

Consolidated net profit in 1951 totaled $1,406,694 against $1,247,330 in 1950.

E. B. Eddy

The E. B. Eddy Co., a subsidiary of Eddy Paper Co., manufactures and distributes a wide range of products including fine and specialty papers, tissue products, paper bags, paperboard and newsprint.

Over 80% of its newsprint output is sold under long-term contract. Other products are distributed in Canada through the company's own sales organization or agents, while some are marketed in the U. S. and overseas. Sterling area sales now represent a very small part of the total.

The company's three mills on the Ottawa River, one in Ottawa, Ont., and two in Hull, Que., have a combined rated annual capacity of 150,000 tons of finished products. Last year, capital improvements totaled $2,236,561, being restricted somewhat by material shortages. Steadily increasing costs of building construction and equipment will confine expenditures this year to the most essential and the estimated cost of work in this class, proposed to be undertaken in 1952, totals $3,196,000.

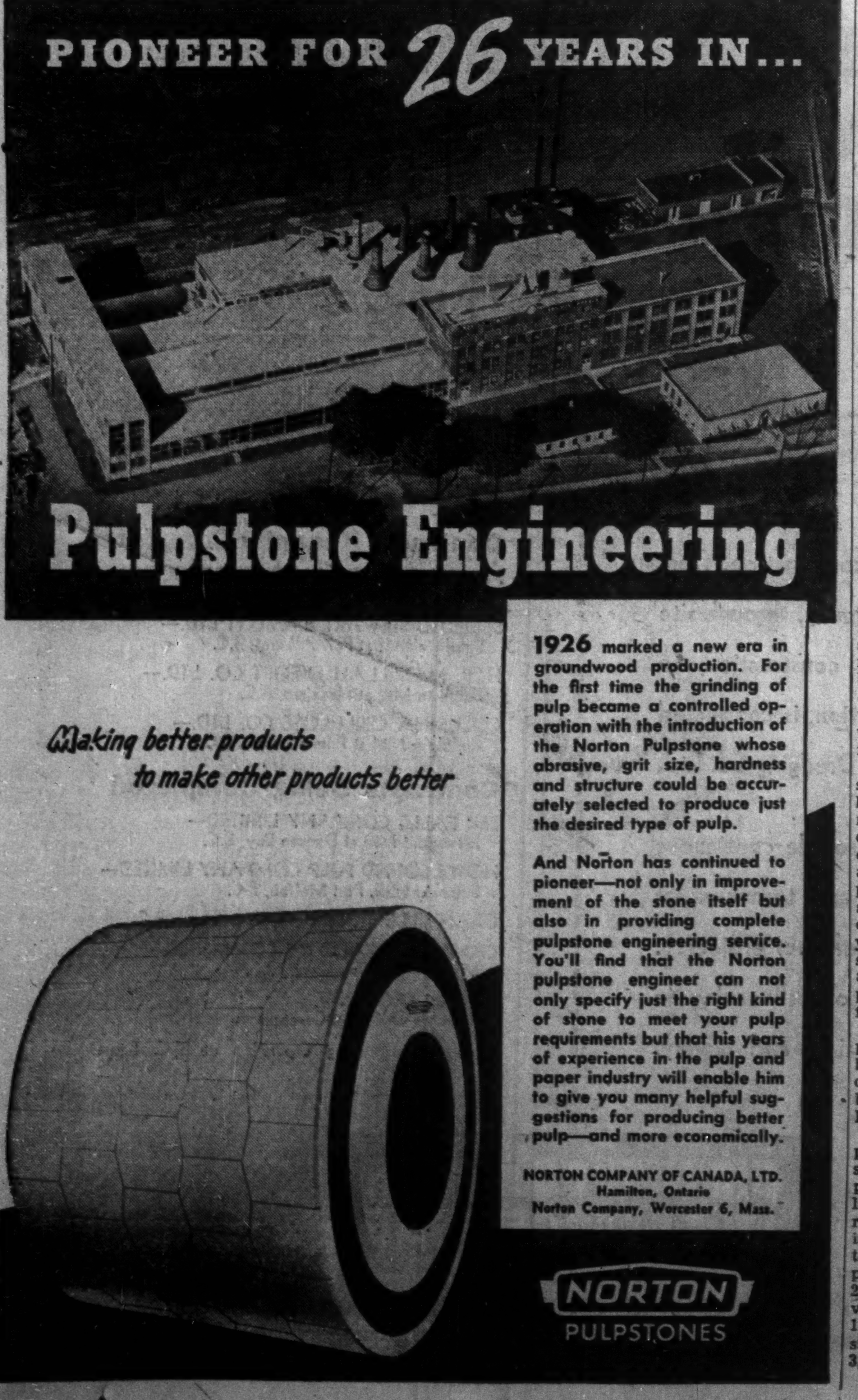
Last April, the company sold a new issue of $4.8 millions 4¾% first mortgage sinking fund bonds series "C." Of the proceeds, $2.3 millions was to be used to reimburse the company in part for capital expenditures made since the end of 1948, while the balance was to be used to help finance further capital expenditures.

Timber limits, leases and licenses to over 5,800 sq. miles are held, and these provide an estimated potential perpetual yield of 160,000 cords annually. Present annual consumption totals around 180,000 cords and the company's timber reserves are conserved by purchase of some 50,000 cords of private lands wood a year. Bulk of the timber resources is located in the Gatineau and Ottawa River watersheds, permitting the use of these rivers for driving the logs to the mills.

About 60% of the company's power requirements is provided by its three hydro-electric plants on the Ottawa River, with the balance supplied by the Gatineau Power Co.

Demand for the company's paper and paper products was strong throughout 1951 and new production records were established. Total sales of all grades rose to 131,165 tons from 123,887 in 1950. Newsprint production totaled 47,640 tons; specialty papers, 51,874 tons; paperboard, 23,401 tons; and toilet tissue, serviettes, toweling and bag kraft, 17,362 tons. Export sales, exclusive of newsprint, were higher at 3,166 tons (713 tons) and prac-

(Continued on page 47)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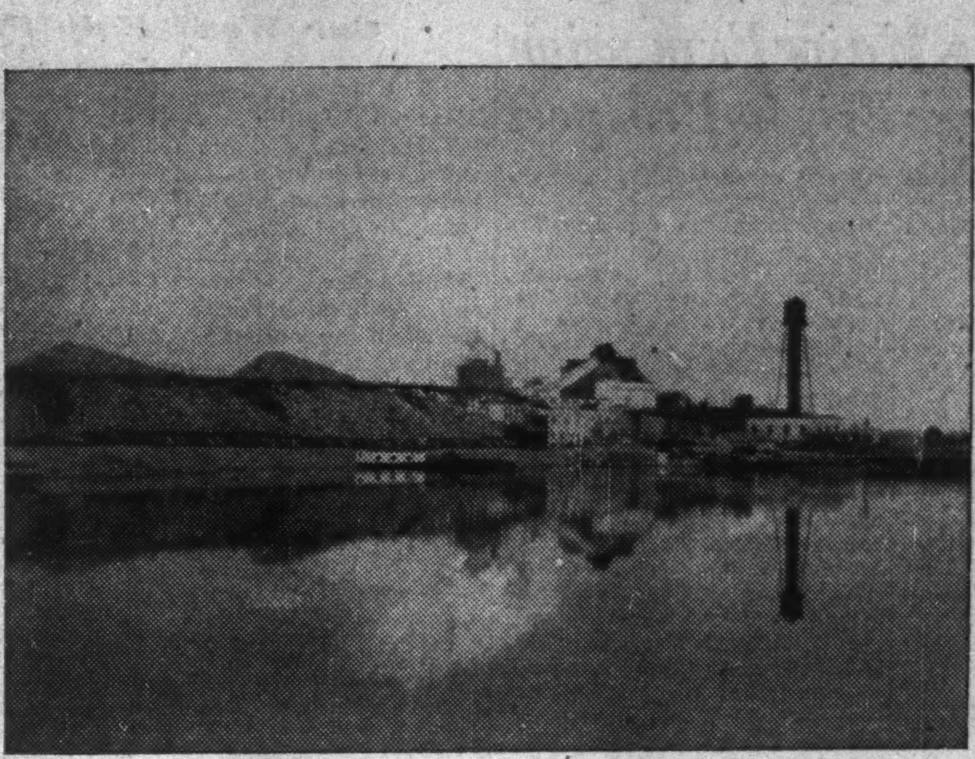

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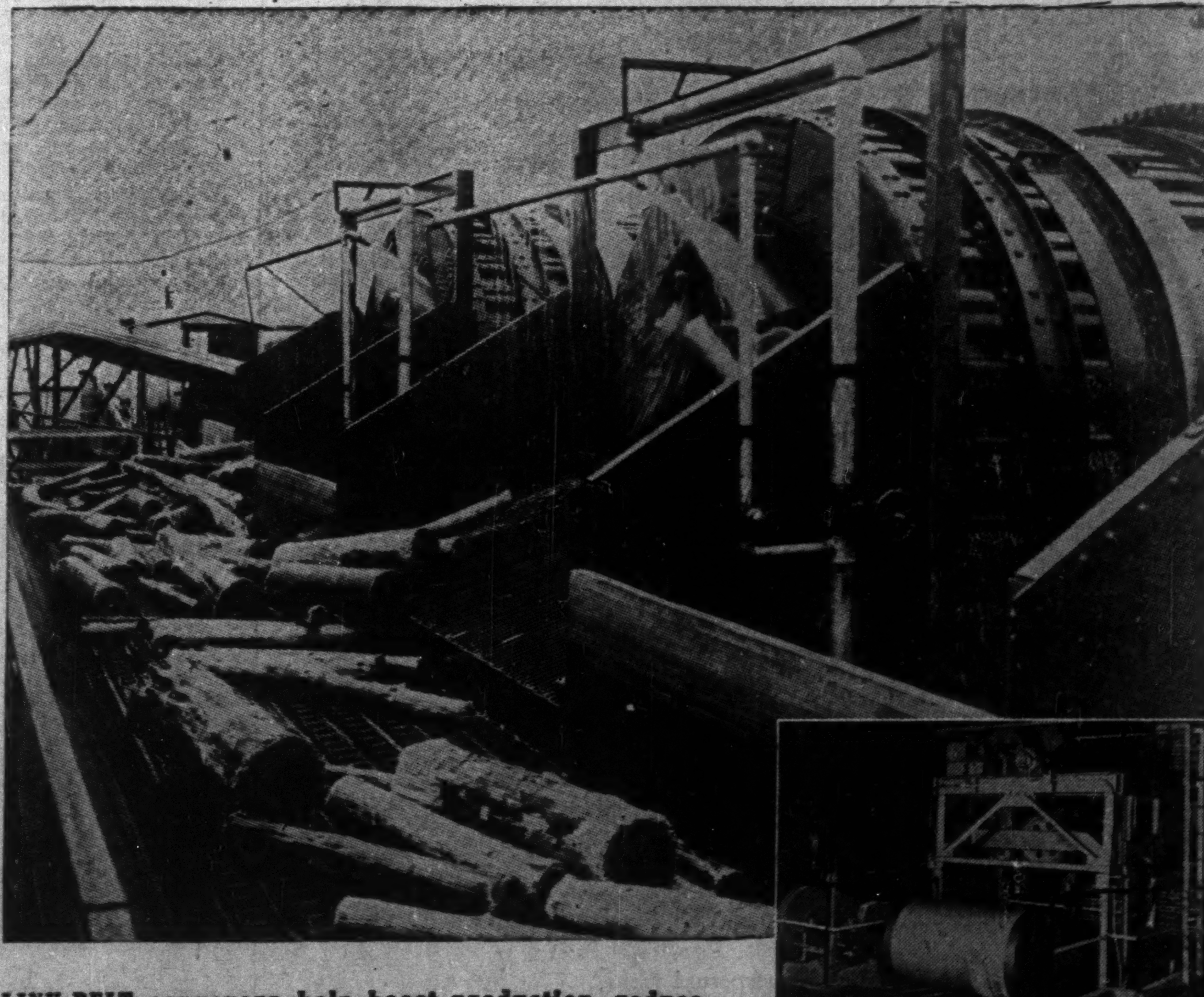

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- Production Management
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Research, Mill Changes Big Conservation Factors

(Continued from page 33)

creasing the yield of acceptable fibre from any one species and by permitting better chemical pulping of mixed species.

Although development of barkers has been rapid in recent years, it has also been found that some types of wood can be reduced to clean pulp without bark removal. The day may not be far off when barking and pulp screening are generally obsolete. This again would have an effect on improved forest utilization as well as on mill economics.

Sulphite Waste Liquors

As yet no comparably striking developments have taken place in the cooking aspects of the sulphite process. Introduction of magnesium salts instead of calcium salts as the pulping agent has made feasible the use of solids in the waste liquor as fuel and has greatly reduced stream pollution; but this process is not yet used sufficiently widely to have had any marked effect on forest management. Development of dissolving pulps from hardwoods in the sulphite process is still in its infancy. The chief accomplishments of research applied to sulphite mills has been in the utilization of their waste liquors.

In various parts of the world the wizards of chemistry have succeeded in extracting a host of substances from sulphite liquor and some of these are finding their way into commercial practice. Production of alcohol, fodder yeast, Torula yeast for human consumption, and lignin as a soil conditioner provides a few examples. The recent sulphur shortage has stimulated intensive research aimed at recovery of sulphur from what has been too long a sewer effluent, and all manner of byproducts are foreseen by the scientist as major products of the industry of tomorrow. Some mills are already evaporating and spray-drying part of their liquor and marketing extractives. Although these developments may not influence logging methods very much, they have pronounced implications with respect to forest conservation.

Semichemical Pulping

Primarily through improvements in the methods and equipment for refining, some mills are now getting yields of 65% and better from sulphite-cooked softwoods. Within the past two years similar yields have been produced commercially in Canada from hardwoods cooked with dilute alkaline solutions. Similarly, the semichemical neutral sulphite cooking of hardwoods has produced yields of 75% of unbleached pulp and of 56% in bleached pulp of prime strength from hardwoods.

Here, then, are two trends in technology, closely related in their end results, that mean much better use of our arboreal resources. The semichemical processes are generally well adapted to use with those species that are not commonly processed in either full chemical or mechanical pulping. Trees that often come up in burned-over or cut-over areas can now be used economically. And even higher yields are being sought through intensive study of the cooking phases of the full chemical pulping process.

Utilization of Waste Wood

In the western part of North America prodigious amounts of wood were left to rot in the forests until the last few years. Now the large timber operators have found that whole pulp mills could be fed with the chips made from the large slabs and other wastes of their sawmills and from the "small wood" they formerly left in the forest. Portable chippers are rapidly converting the slash and the small wood from both lumbering and pulpwood operations into mountains of chips for the paper and board industry. Veneer waste is also finding its way to the pulp mill or to board mills where it can be felted mechanically into wallboard. Even sawdust is being used for steam and power in some places, and converted to fertilizer or fodder in others. Many uses have been found for the bark of western species—in insulation and for corklike products, for example—and the possibility of commercial extraction of chemicals on a large scale from bark is under intensive study. Extractives from the leaves and needles of trees may soon be common. In fact, research and development have gained such momentum in the pulp and paper industry during the past 10 years that the day may soon come when every part of a tree of almost any species will be marketed in some other form.

These changes have not come about rapidly enough, however. Limited until recently to only a few species, the mills have had to go farther and farther afield for their wood. World economic conditions have raised labor costs. The raw material of the industry seemed to be in ever shorter supply and at distressing costs. Again, operators have found ways of improving the re-use of paper products so that a substantial trade in waste paper developed, permitting millions of trees to go on growing toward maturity that might otherwise have fallen to the woodsman's axe and bucksaw.

Integrated Operations

Developments of the sort described briefly above have together ushered in the day of integration, lumber companies are now going into the pulp business. Pulpwood operators are going into lumber. And consumers of the raw material such as the Celanese Corporation are setting up in British Columbia 100-million-dollar complexes that include plywood, groundwood, sulphite, sulphate, and board mills, all under a single management, built at essentially one locality, and supplied from one forest reserve under perpetual yield management. Soon there will be chemical processing plants right alongside these complexes, as there are beside a few mills today.

The rush toward such complete integration in the utilization of the forests is on. It is driven by economic conditions, by defense considerations, by legislation to eliminate waste and pollution, by the mounting demand for the products of this industry. It has been made practicable through the efforts of the scientist and the engineer. Those who, through conservatism and procrastination, through myopia or smugness, fail to follow the leaders in these directions will soon be left behind, unable to compete for the expanding world markets.

Integrated utilization entails integrated logging operations and that, in turn, means practical silviculture. The forest and the mill operator are today finding themselves as never before associates working toward a common purpose—the better utilization of our forest wealth.

Outlook For The Future

Many competent authorities consider that during the next decade the curve of demand for pulp and paper products the world over will continue to rise steeply as rates of literacy and standards of living in all free countries increase. There may, of course, be minor fluctuations, in response to international tensions and their attendant economic vicissitudes. There has been a softening of markets for paperboard, pulp and newsprint in North America. This is regarded as temporary and as a reflection of the delay in conversion from the growing production for civilian use that followed World War II to the intensive production for defense that has resulted from events in Korea. The phenomenal growth of the pulp and paper industry during both World War I and World War II gives assurance, however, that, as the western nations strengthen their military preparedness, the products of this industry will again be critical. Indeed, someone has said that World War I was a war of personnel; World War II was a war of materiel and production; World War III may well be as much a cellulose war as it is an atomic one.

Some idea of the extent of the demand for pulp and paper products during the next 10 years can be gained from the record of our neighbor to the south. Few would question that the United States today has the highest standards of living of any nation on the face of the earth. In 1951 the consumption of pulp and paper products per capita of its 155 million people was approximately 400 pounds, double what it had been only 10 years previously, about twice that of Canada and Britain combined, 2½ times that of Australia and New Zealand, and more than 40 times that of South Africa. We are told that even that impressive figure for the United States hardly represents the level the demand can reach in a highly industrialized society. For there are no cheap substitutes for pulp and paper. On the contrary, paper and paperboard are the cheap substitutes for other things. Recent years have seen the gradual replacement in the United States of the tin can and the glass bottle by rectangular paper packages. This trend is still evolving in North America. As packaging materials of other kinds become scarcer under the stringencies of the defense program, paper and paperboard products are taking their places. A market once lost to a substitute is seldom regained. Hence, it takes no serious stretch of the imagination to conclude that per capita consumption in the United States may rise well over 500 pounds within the next 10 years, or that the average per capita for many other countries may reach 100 pounds.

Newsprint Demand

Part of that phenomenal rise in consumption in North America has, of course, been in newsprint. It may be a result of taxation policies of the United States and Canadian Governments which have encouraged industry to spend much more of its revenues on advertising in magazines and daily press. Advertising income has been so high that in many cases publishers could afford to give the reader more paper than he paid for in each issue. To expect any very drastic reduction in taxes once they have climbed to high levels is to indulge in wishful thinking. To expect that other democratic governments will follow a different course is likewise to engage in wishful thinking. Consequently, one may conclude that as the supply of newsprint becomes more abundant to other countries, either through increased production in Canada, the United States and the Baltic area, or through production from their own mills, the demand for newsprint to maintain high volume advertising will increase.

Moreover, there is no reason to believe that multiwall paper bags will not replace bags made of cloth or of other materials the world over, nor that the use of paper containers for milk and frozen foods and a host of similar end-uses will not also continue to grow on a world-wide basis.

Intensive study of mechanical pulping, already long overdue, may well produce returns in volume manufacturing comparable to those that have come from chemical pulping research, and may likewise have a strong effect on conservation.

The Wood Supply

Naturally, one is led to ask the question: Will there be enough wood to satisfy the mounting demand—to provide perhaps 100 pounds or more per capita of pulp and paper products to every inhabitant of the Free World, including the concomitant growth of population during the next 10 years? The answer is clear. Forests cover some eight thousand million acres, about a fourth of the land surface of the earth. Much of this is not, of course, usable in a commercial sense at the present time. It has been pointed out that only 8% of the total world cut of roundwood in 1949 was used for wood pulp. Under conditions of sound forest management that percentage could easily be doubled without adversely affecting the forested areas.

All enlightened countries have now adopted and are practicing forest management aimed at continuing present yield in perpetuity. Research and development have produced ways to utilize mixed species and to turn what were formerly considered by the pulpwood operator as "weed" species into pulp and paper and allied products. The vast unexploited forests of the tropics and semitropics offer an untold wealth of wood for the future. The opening up of these immense acreages need not disturb the operators in northern climates with longer growing cycles, provided they are sufficiently alert to practice diversification and to seek out, with the aid of research, those products which can be made from northern species with greatest economic advantage.

Under the far-flung program of technical assistance to the nations of the world which has been established within the framework of the United Nations, technologies that were developed over decades become available all at once to nations that previously had virtually no industrial development. The drive toward increased literacy and higher living standards in those countries must inevitably bring a demand for pulp and paper products that will justify mill installations, incorporating the very latest processing practices, in those lands. This offers a fertile field for capital investment by those more fortunate nations intent upon strengthening the defenses of democracy everywhere.

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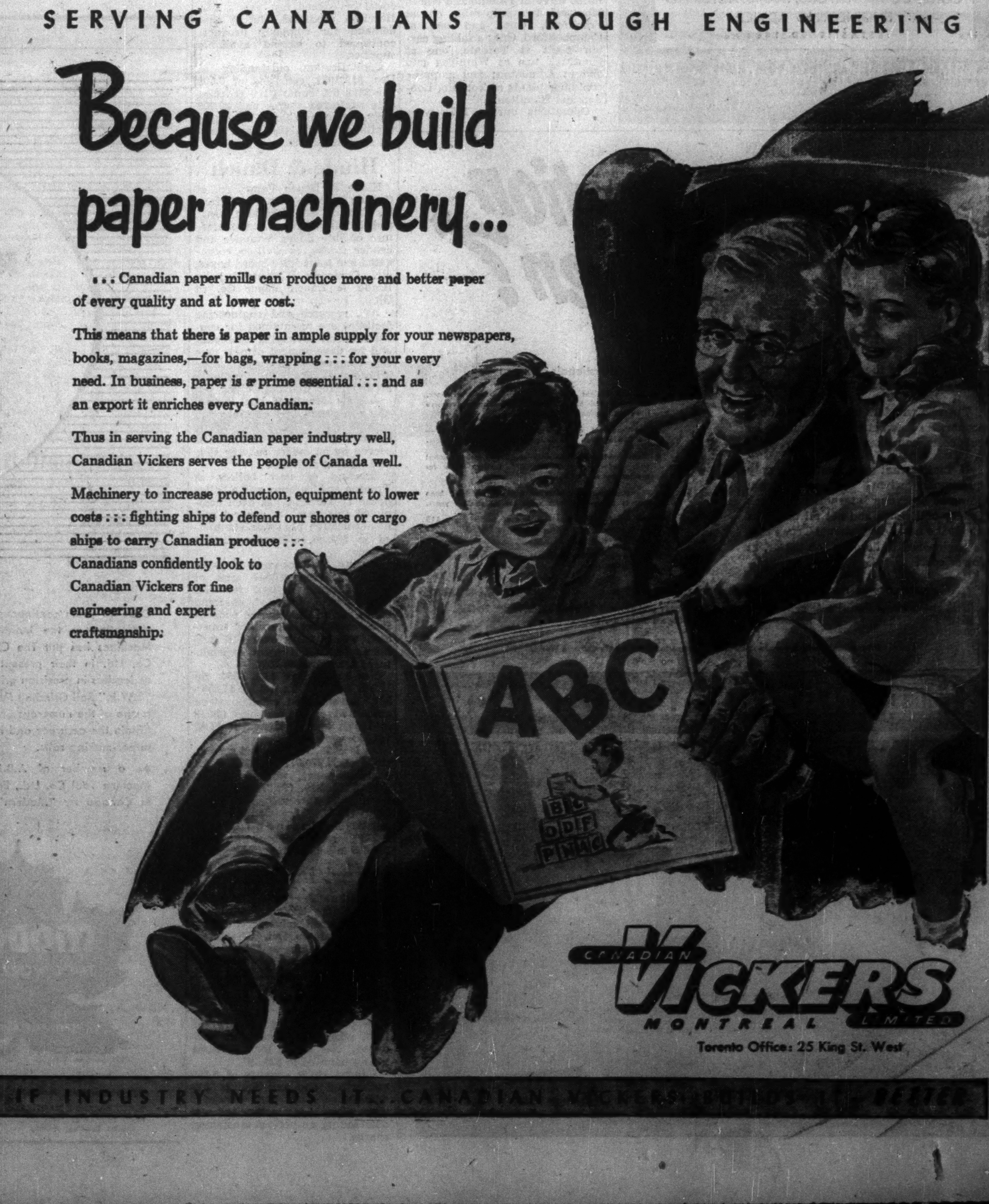

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This means that there is paper in ample supply for your newspapers, books, magazines,—for bags, wrapping . . . for your every need. In business, paper is a prime essential . . . and as an export it enriches every Canadian.

Thus in serving the Canadian paper industry well, Canadian Vickers serves the people of Canada well.

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IF INDUSTRY NEEDS IT... CANADIAN VICKERS BUILDS IT [illegible] BETTER

Paper Box Sales on the Upswing Again

Plants Modernized in Year Production Capacity Expanded,

Riding the crest of an unprecedented demand for their products, most major manufacturers of paper boxes in Canada set new profit records in 1951.

The first six months of this year saw some slackening in demand, but sales again headed upward with the coming of summer. Industry spokesmen feel that the up-swing in the second half of 1952 may well offset last winter's dip, and that this year will be as good as last year. If it is, they won't complain.

The temporary decline in business had its bright side—for the consumer, at least. The long delays in delivery that plagued the industry last year were greatly reduced. But with this summer's improvement in sales, it's taking a little longer now to fill customers' orders for folding cartons.

The industry seems confident that the boom of recent years is going to continue. Several have expanded production capacity substantially during the past year, and modernized existing plants. No serious slackening in demand is foreseen, and makers of paper boxes hope to continue setting new production records—as they have done annually since the war.

Bathurst

Through two of its wholly owned subsidiaries, Bathurst Power & Paper Co. manufactures substantial amounts of corrugated shipping containers and like products from kraft liner and corrugated board.

The plant of Kraft Containers Ltd., one of the two, is located at Hamilton, Ont.; an extension of it was completed this summer. The other subsidiary, Shipping Containers Ltd., has one plant in Montreal and a new branch plant at St. Laurent, Que., which started operations in November, 1950.

In 1951, output of shipping containers at the three locations touched a new peak. A total of 55,994 tons of container boards, supplied by the parent company's Bathurst, N.B., mill, were converted, against 50,897 in 1950.

Recently, reporting a six-months consolidated net profit down from the same period of 1951, the company stated that demand for mill products had dropped during the second quarter. It noted, however, that there were now indications of some strengthening in demand for mill products other than pulp.

Main Bathurst coverage is included under specialty paper companies.

Corrugated Paper

Corrugated Paper Box Co., with plant at Leaside, Ont., manufactures corrugated and solid fibre shipping containers and folding cartons.

Production during 1951 was increased and sales were at an all-time high, President J. A. Whealy reported. During the first 10 months of 1951, raw materials were in short supply, but at the end of the year the situation had improved and inventories had been brought back into line with production requirements.

Company is sole owner of two subsidiaries — Hilton Bros. Ltd., Winnipeg, which manufactures corrugated and solid fibre shipping containers, and distributes and installs asbestos pipe covering and operates an insulation division; and Carton Specialties Ltd., Toronto, operating the folding carton division.

Net profit in 1951 was $355,550, up 19.4% from 1950's $297,786. Earnings on the 5% preferred stock were $79.17 per share ($66.31 in 1950), and dividends paid $5 ($5). Earnings on common stock, adjusted for a five-for-one stock split on Dec. 31, 1951, amounted to $1.42 per share ($1.17). Dividends paid on the old stock, not adjusted, were $2.50 ($2.00). Dividends of 12½c per share were paid on the new common stock on March 1 and Sept. 2, 1952.

All outstanding bonds were called for redemption on Dec. 1, 1951, leaving the company free of funded debt. Capitalization outstanding at end of 1951 consisted of 4,491 par $100 first preference 5% cumulative redeemable sinking fund shares, and 235,000 n.p.v. common shares.

Dom. Containers

Dominion Containers Ltd., a holding company, controls a number of firms manufacturing and distributing cardboard boxes and other containers. These include Standard Paper Box Ltd., King Paper Box Co., Empire Paper Box Co., National Paper Box Ltd., Acme Paper Box Co., British American Paper Box Co. and Freed Paper Box Manufacturing Co.

In 1951, both dollar value and volume of sales increased substantially from 1950 levels. Consolidated net profit for the year totaled $287,420, up 46.6% from $196,089 in 1950.

During the year, all classes of shares outstanding were called and 103,847 no-par-value common shares were issued to shareholders out of a new authorized capital of 300,000 shares. In addition, the company took advantage of section 95A of the Income Tax Act and issued $4 par 5% non-cumulative redeemable preferred shares as a $415,388 stock dividend to common shareholders.

Gair Co.

Gair Co. Canada Ltd., a subsidiary of Robert Gair Co. Inc., New York, manufactures and sells various types of corrugated and fibre shipping containers and folding paperboard cartons. It manufactures paperboard for its own use.

In addition, the company and its subsidiaries manufacture and sell a number of products including counter display carton, cracker caddies, paper specialties, gummed tape and mechanical pulp.

Properties of operating divisions of company and its subsidiaries include four paperboard mills, three in Toronto and one in Montreal; two pulp mills, one at Frankford, Ont., and one at Campbellford, Ont.; a folding carton plant at Toronto, one at Montreal, two at Winnipeg and one at Edmonton; and shipping container plants at Toronto, London and Hamilton.

Operations during 1951 were close to capacity, with the basic raw material situation improving considerably during the last quarter. Paperboard production totaled 82,993 tons, compared with 80,373 in 1950. Total production of all products was 112,406 tons, an increase of 1,372 on the year.

Net sales in 1951, after eliminating interdivision transactions, were at an all-time high of $22,921,564. Previous record was $18,989,990 in 1950. Net profit was $1,936,898 ($1,531,836 in 1951). Earnings on preferred stock were $267.16 per share ($161.20), and dividends paid $4 ($4). Common stock earnings were $15.86 per share ($12.42), and dividends were $4 (4).

Working capital rose from $2,972,756 to $3,949,807 during the year, and inventories from $2,192,719 to $3,195,849. Capital expenditures were $770,925 during 1951, and plant maintenance and repairs amounted to $921,070 for the year.

Capitalization outstanding at year's end consisted of 7,250 par $100 4% cumulative, redeemable, preferred shares, and 120,000 par $10 common shares. All common shares were held by Robert Gair Co., Inc.

Hendershot Paper

Hendershot Paper Products Ltd. makes a variety of paper products including containers and corrugated paper products in its Hamilton plant.

Capital expenditures in 1951 of $54,855 included a new steam generating plant and conversion of warehouse space to production facilities.

Net profit in 1951 was $107,845, almost double the previous year's $54,054. Earnings on 5% preference shares were $43.14 ($21.62 in 1950) and dividends paid $5 ($5). Earnings on common stock were $3.18 per share ($1.38) and dividends $1 ($1).

Production per man-hour was higher and waste lower, President T. R. Harrison reported. Increased output of finished goods was achieved with approximately the same raw material tonnage as the previous year. Company's fleet of trucks was enlarged during 1951, and more than half of its goods destined for Ontario and Quebec are now carried in company trucks.

This year's operations should equal or exceed last year's, Mr. Harrison predicted, stating that demand for company products continued to exceed available supplies.

Capitalization outstanding at Dec. 31, 1951, consisted of 2,500 par $100 5% cumulative redeemable preferred shares and 30,000 n.p.v. common shares. Working capital stood at $140,109 and earned surplus $81,592.

Hinde & Dauch

Hinde & Dauch Paper Co. of Canada operates plants at Toronto, Trenton and Chatham, Ont., and Montreal, for the manufacture of jute liners, wrapper and header stocks, as well as corrugated and solid fibre board boxes, etc. Company is controlled by Hinde & Dauch Paper Co. of Ohio.

Art, research and engineering facilities are maintained for consultation on packaging problems, and for development of new uses for company's products. Sales offices are located in a number of important Canadian cities.

A new Montreal box factory was completed and put into full operation in July. The building, containing 270,000 square feet, is served by an indoor railway spur and loading facilities.

Erection of new boilers at Trenton and Toronto, and a boiler house at Toronto, has been completed this year. A general mill modernization plan was completed in March, company officials stated.

During 1951, company's paper mills produced 97,647 tons of paperboards and box factories made 74,646 tons of shipping boxes. Over-all value of production, excluding interplant transfers, was slightly over $18 millions. Net fixed asset expenditures totaled $2,679,576.

Net profit was $1,423,364, up 13.3% from 1950's net of $1,255,921. Earnings on common stock amounted to $4.74 per share ($4.19 in 1950), and dividends of $1.40 ($1.15) were paid.

At Dec. 31, 1951, earned surplus stood at $7,270,977 ($6,243,766 the previous year), working capital was $3,816,219 ($2,379,293), and inventories were valued at $2,520,862 (1,667,693). Capitalization outstanding included $600,000 2¾-3% serial debentures, and 300,000 n.p.v. common shares.

Maritime Paper

Maritime Paper Products Ltd. is a holding company with one wholly owned subsidiary, Industrial Containers Ltd. The latter fabricates cartons and other corrugated products for industrial use at its plant in Halifax, N.S.

Operating capacity, on the basis of a one-shift day, totals about 5,000 tons a year. Latest available production figures are for 1947, when 4,877 tons were produced. Net profit for the same year amounted to $28,897.

Capital stock consists of 8,750 authorized and outstanding 5% cumulative $20 par preferred shares and 15,000 authorized and outstanding no-par-value common shares.

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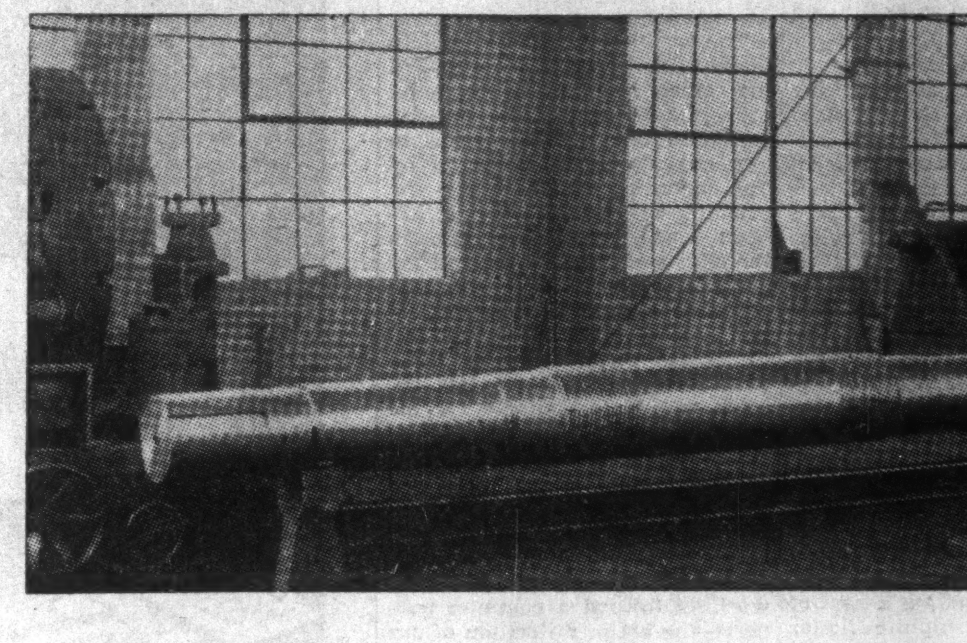

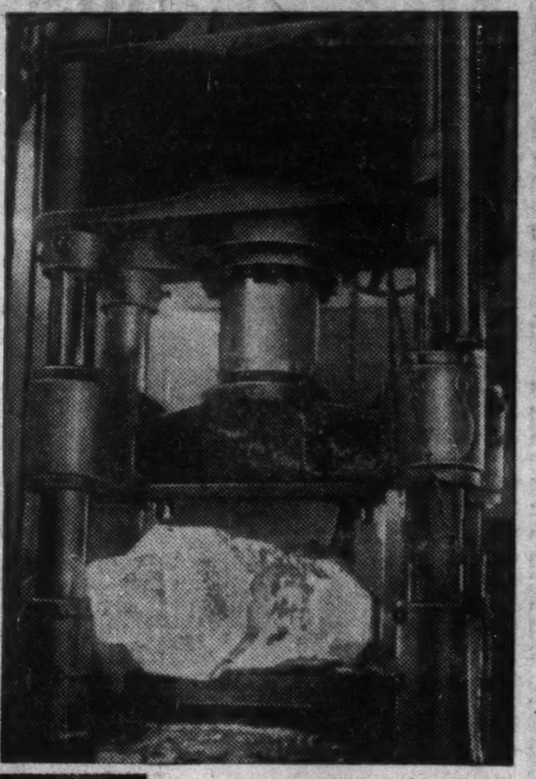

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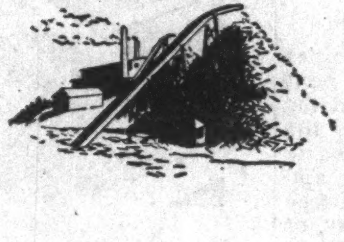

The terrific tearing and jolting impact of millions of pulp logs surging through the grinders meet rugged resistance from Canforge steel grinder shafts. Making heavy forgings takes big equipment and skill and patience that comes only with long experience. With its up-to-date equipment and complete facilities, Canada Foundries & Forgings Limited is in a position to supply forgings, black forged, just as they come from the presses and hammers, rough turned or finished machined or finished ground, ready for use.

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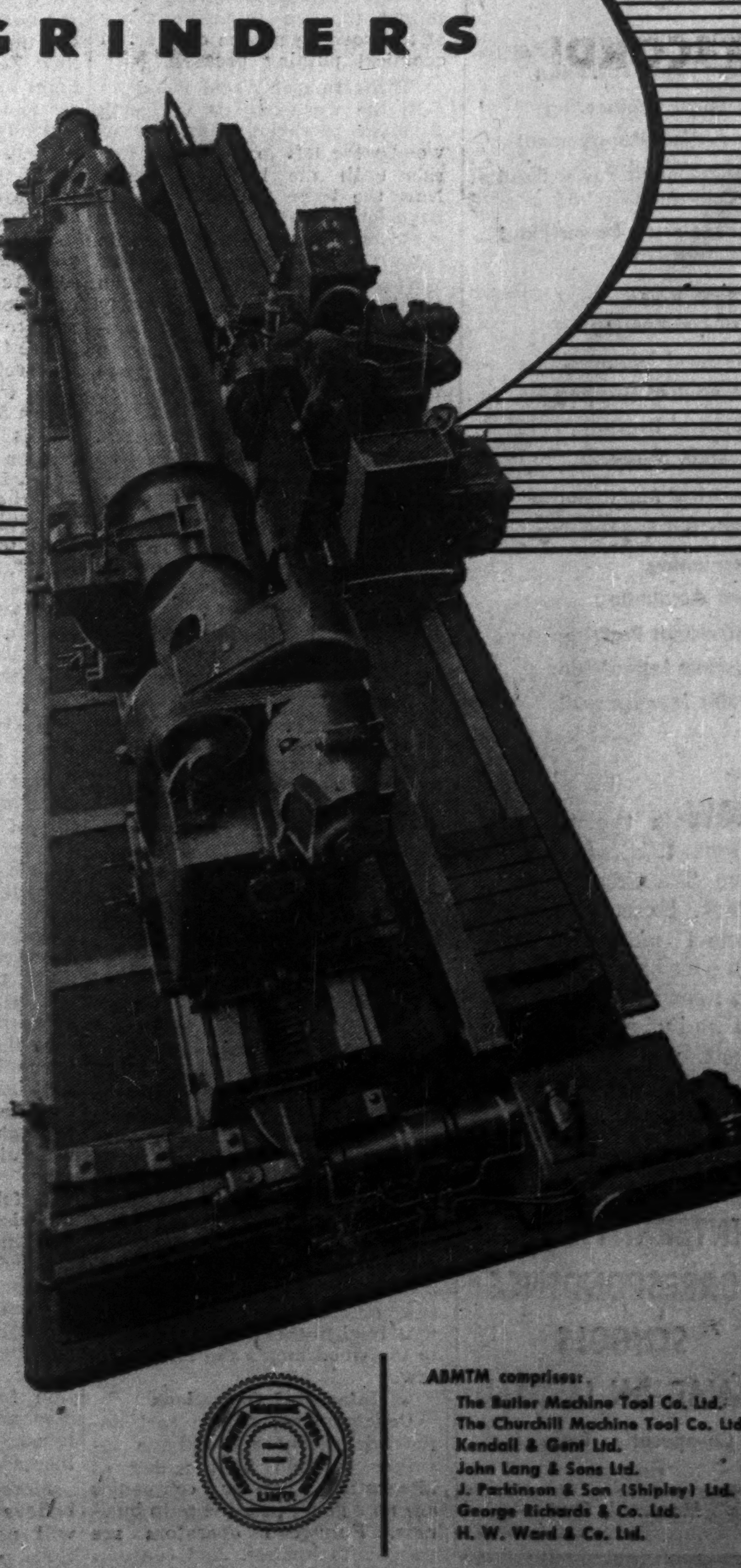

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$65 Millions in Fine Paper Output

(Continued from page 44)

tically all were shipped to Commonwealth countries. During the year, steady progress was made in replacing coarse and less profitable grades with the finer papers.

Consolidated net profit for the year totaled $1,406,694, against $1,247,330 in 1950.

In the opening months of 1952, demand for the company's principal products showed some softening. It felt, however, that this was a result of "the healthy inventory adjustment in the trade now that paper products are in somewhat freer supply" and expected that sales volume for the year would equal 1951 levels. Increasing costs, however, "continue to be our grave concern."

Sidney Roofing and Paper Co., controlled by E. B. Eddy Co., showed a net profit of $235,162 in 1951, against $361,503 in 1950. Its new $150,000 Lloydminster plant was brought into production late in the year.

Fraser Cos.

Fraser Companies Ltd., through the wholly owned Fraser Paper Ltd., manufactures and sells sulphite specialty papers and groundwood specialty papers, including bond, catalogue and waxing papers.

Its Madawaska, Maine, papermill has a daily capacity of 290 tons of sulphite specialty papers and 150 tons of groundwood content papers. Chemical and groundwood pulp, raw materials for the mill, are supplied by the parent company, being pumped in semi-liquid state directly to the plant through pipelines from Edmundston across the Saint John River.

Demand was strong for all pulp, paper and paperboard products during 1951, although there was some evidence of a decline for certain grades of paper and paperboard at the year-end, the parent company stated in its annual report. Production totaled 256,173 tons, against 243,164 in 1950.

Backlogs on hand at the beginning of 1952 had practically disappeared by July and curtailment in some operations was necessary. Consolidated net profit for the first six months was down 19.3% from the same period of 1951.

See under specialty papers for main report on the company.

Howard Smith

Howard Smith Paper Mills Ltd., with its subsidiaries, is the largest Canadian producer of fine and specialty papers. The organization makes over 500 grades of paper, sold throughout Canada and exported to Great Britain, South Africa, New Zealand, Australia, South America and other countries. Pulps and by-products include bleached sulphite, bleached soda and groundwood pulps; vanillin, a flavoring material; and tomlinite, a synthetic resin.

Through subsidiaries, it controls plants turning out groundwood, bleached and unbleached kraft and sulphite pulps, glassine, greaseproof, wrapping, toilet and coating papers, tags, paper bags and specialties, and paper and cloth base plastic laminates.

Combined annual productive capacity, including wholly owned subsidiaries, totals over 175,000 tons of bond and ledger papers, Bristol boards, book and writing papers, tissues, kraft papers, glassine, greaseproof, bag and building papers, and many other specialties. In addition, the Arborite Co. produces about 3,000 tons annually of paper and cloth base plastic laminates.

At current rates of production, some 108,000 tons of pulp are available for sale, including about 27,000 tons of sulphite pulp, 50,000 tons of soda pulp, 22,000 tons of sulphate pulp and 9,000 tons of groundwood pulp.

Plants of the Beauharnois, Cornwall and Crabtree Mills divisions are owned directly by Howard Smith Paper Mills; those of the Windsor Mills division through Canada Paper Co.; those of the Merriton, Georgetown and Toronto division through Alliance Paper Mills Ltd.; and the Ville La Salle, Montreal, plant through Arborite Co.

Total 1947-51 expenditures on plant expansion amounted to some $28 millions, including $9,748,000 in 1951, and forward commitments at the end of last year totaled about $2 millions.

Recent additions include a new paper machine (boosting capacity by about 18,000 tons annually) and steam plant at Cornwall, brought into operation late in 1951, and a new paper machine and extension to the steam plant at Alliance Paper Mill's Merriton division. An extension to the Cornwall soda pulp mill is scheduled for completion late this year and will raise soda pulp capacity by about 25,000 tons annually. At the Ville La Salle plant of Arborite Co., an extension is expected to be finished by the end of 1952.

At the Crabtree Mills division, one of the paper machines is to be rebuilt for manufacture of light-weight papers. Plans for construction of a 40,000-ton-capacity sulphate pulp mill at Crabtree Mills have been deferred.

In 1951, both dollar sales and production volume touched new highs. Total sales of pulp, paper, chemicals and laminates climbed 28% from 1950 to $65,898,680. Pulp production was up 13.4%, while tonnage of paper sold was 8% higher. The volume increases, it was stated, were a reflection of steady demand and enlarged productive capacity, while dollar sales boosts were due both to larger volume and price increases.

For most of the year, demand was greater than capacity to supply, and in many cases the company reached the year-end with a considerable backlog of orders. Mills operated at or about capacity throughout 1951, except on production of certain high-grade papers and coated paper, for which demand showed a definite falling off late in the year. Consolidated net profit totaled $4,914,725, up 8.1% from $4,546,007 in 1950.

This year, the company explained last spring, demand is lower for all grades of paper in the domestic market, while overseas sales are hampered by current exchange difficulties. The company is also beginning to feel the squeeze between higher costs and lagging selling prices, it was stated, and the lower relative value of the U. S. dollar has cut into revenues.

Estimated consolidated net profit for the six months ended June 30 totaled $1,334,135, down 53% from $2,839,245 in the same period of 1951.

Howard Smith Paper Mills acquired a controlling interest in Donnacona Paper Co. in 1948-49. Last month, it announced an offer to Donnacona common shareholders of one and one quarter common shares of Howard Smith for each Donnacona share. The offer will expire Nov. 28, 1952. When it was made, Howard Smith held approximately 66% of Donnacona's outstanding common shares.

Timber lands of the Howard Smith organization, not including those of Donnacona, consist of some 3,300 sq. miles in Ontario and Quebec. In addition a wholly owned subsidiary has the right to locate another leasehold of timber area in Quebec of about 200 sq. miles in extension of its present limit.

The Toll on Our Forest Storehouse

Following is a table of average annual depletion in Canada's forests for the period of 1939-1949*.

		Aver. Annual Depletion 1940-49*		
		000's of cu. ft.	% Depletion	% Utilization
Logs and Bolts for domestic use		1,063,158	30.3	38.3
Logs and Bolts for export		21,837	.6	.8
Pulpwood for domestic use		703,750	20.1	25.3
Pulpwood for export		151,943	4.3	5.5
Fuel wood		732,285	20.8	26.4
Ties, poles, pit props, posts, rails		67,055	1.9	2.4
Miscellaneous		36,100	1.0	1.3
		2,776,128		100.00
Fire	239,159			
Insects and Disease	500,000	739,159	21.0	
		3,515,287	100.0	

* Including the Island of Newfoundland, but not Labrador, in 1949.

Provincial Paper

Provincial Paper Ltd., wholly owned by Abitibi Power & Paper Co. manufactures and distributes high grade book, writing, machine coated and coated papers. Production of machine coated paper was started at the company's Port Arthur mill in June, 1947, and is marketed under the name "Thriftcoat Enamel." A second unit for machine-coated paper was added in 1950.

Company recently embarked on a multi-million-dollar expansion program at its mill at Thorold. A third paper machine was added to the two already in operation, increasing daily production to 130 tons. Crew at the mill has been increased to 275 employees.

Recent extensions have enlarged the plant site to five acres and doubled the mill floor area. A two-story office building has also been erected at Thorold.

Part of the mill's fibre requirements come from a new waste-paper pulping plant, believed to be one of the most modern of its kind. Its capacity of 100 air-dry tons per day is supplemented by virgin pulps from Provincial's Port Arthur mill, from the Smooth Rock Falls plant of the parent company, and from other sources.

The company has three other mills located at Georgetown, Mille Roches, and Port Arthur. The Georgetown plant is a paper coating mill; the Mille Roches plant has one paper machine with a daily capacity of 30 tons; and the Port Arthur plant has two paper machines of 150 tons daily capacity. Equipment for the production of machine-coated book paper was installed at Port Arthur in 1947 and 1950; annual capacity is 45,000 tons. Total annual capacity of all the company's plants is approximately 95,000 tons of fine paper.

In 1947, President D. W. Ambridge pointed out that physical conditions of some of the plants left much to be desired but that every effort was being made to catch up with deferred maintenance and install new facilities where most needed. By October, 1948, modernization of three mills had so increased their capacity as to allow closing of the obsolete and small Georgetown paper mill without affecting over-all production. The company still operates its coating mill there.

Installation of the second machine-coated paper unit at Port Arthur, completed in 1950, about doubled Canada's production rate on this high-grade paper used by book and magazine publishers.

Accounts of Provincial Paper Co. were consolidated with those of the parent company in 1949 and no separate statements have been issued since then.

The outstanding capitalization at Dec. 31, 1951, consisted of 350,000 n.p.v. common shares. All stock is held by the Abitibi Power & Paper Co., following retirement of the whole issue of preferred shares in 1951 at a cost of $1,070,000. This step was taken in order to bring about a closer integration of the subsidiary's affairs with those of the parent company, the president stated.

Rolland Paper

Rolland Paper Co. manufactures high-grade bond, writing, ledger, airmail, offset and mimeograph papers. Plants are located at Mont Rolland and St. Jerome, Que. Annual production at the former is 10,000 tons of sulphite bond and rag stock paper, at the latter about 15,000 tons of high-grade rag stock and sulphite bond papers.

Power plants owned by the company on the North River provide electricity for the mills, while additional energy is purchased from Gatineau Power Co.

Both mills operated at full capacity throughout 1951 and total sales were up 13% from 1950. Net earnings rose to $1,151,222 ($1,005,905) but provision for income taxes climbed sharply to $438,000 ($275,000) and net profit was down 7.1% at $338,324 ($364,147).

Capital expenditures during the year totaled $223,440, with another $240,889 authorized for projects not completed at the year end.

In the annual report, President J. P. Rolland commented that excessive customer inventories were being reduced and the mills' backlogs were becoming smaller. "With a return to more normal business conditions one can predict greater selectivity among our customers and an increase in competitive selling," he said.

Capitalization of the company, as at Dec. 31, 1951, consisted of $3.4 millions authorized, $1,450,000 outstanding, 3%-4% first mortgage bonds due 1953-64 (after deducting $75,000 due April 1, 1952); 25,000 authorized, 17,000 outstanding, $100 par 4¼% cumulative redeemable preferred shares; and 100,000 authorized, 60,001 outstanding, no-par-value common shares.

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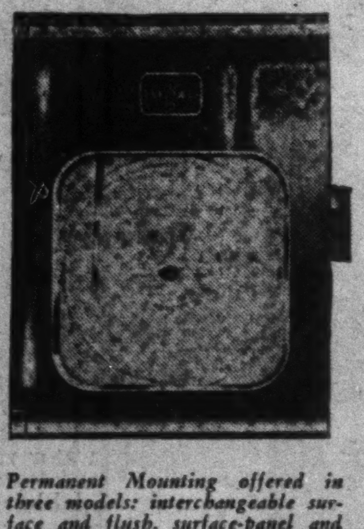

Permanent Mounting offered in three models: interchangeable surface and flush, surface-panel and flush panel. Note the pleasing, well-balanced appearance. Also: PORTABLE INSTRUMENTS are offered in two models: for setting on floor or table; for mounting on walls or poles and general service.

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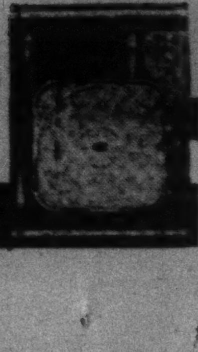

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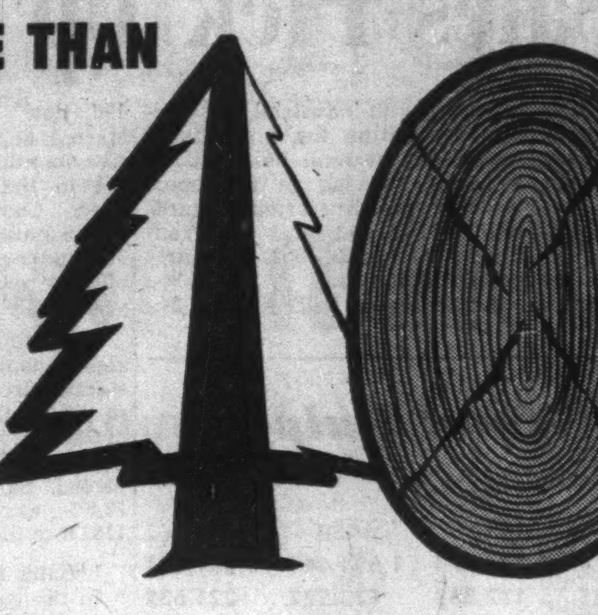

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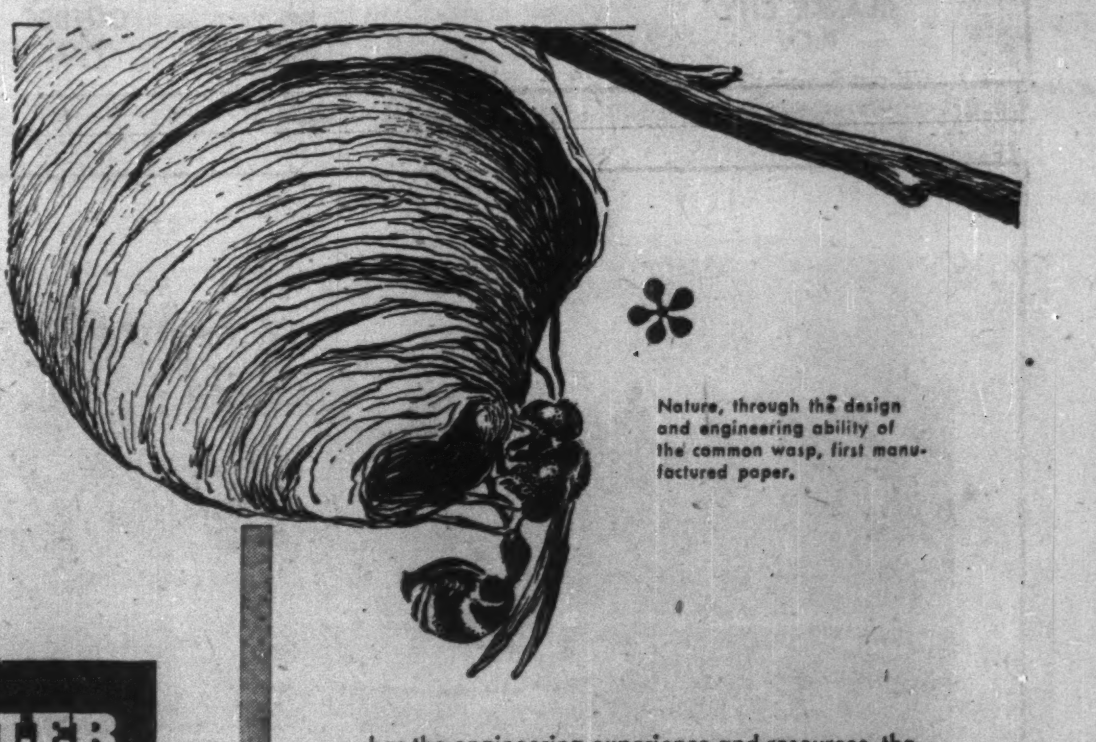

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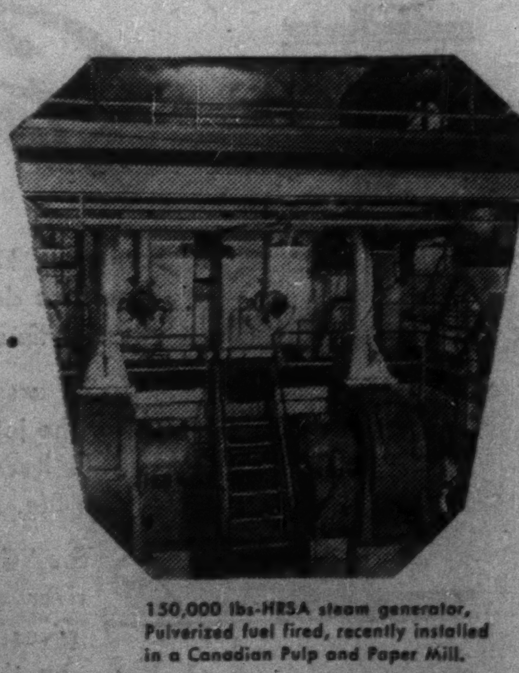

150,000 lbs-HRSA steam generator, Pulverized fuel fired, recently installed in a Canadian Pulp and Paper Mill.

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Building Board Sales Pick Up Speed

Last year about this time, the biggest problem facing manufacturers of wood-base building materials was how to turn out products fast enough to fill the demand. Complete figures of total 1951 production are not yet available, but they should show substantial gains over the previous year. In 1950, Canada's output of rigid insulating boards, other building boards, and veneers and plywood was valued at over $46 millions.

Late in 1951, the demand picture began to change.

Residential construction is the backbone of the building board industry, with industrial construction accounting for a relatively small slice of total business. As a result, the lag in new-home building which started towards the end of last year and continued well into 1952 cut fairly deeply into sales.

According to DBS figures, 24,196 new dwelling units were started in Canada in the first five months of 1952, against 28,951 in the same period of last year. Completions dropped to 24,259 units (32,085), leaving 43,306 under construction at the end of May compared with 55,903 a year earlier.

Reflecting the fall, output of rigid insulating board, for instance, dropped to 139.5 million sq. ft. in the first seven months of 1952, off 18.1% from 170.4 millions in the comparable 1951 period. Sales were down a sharp 23.6% at 124.5 million sq. ft. (162.8 millions).

Sales Picking Up Steam

In the past three months, however, building board sales have been picking up steam again, paralleling the upswing in residential building activity. Producers are optimistic about prospects for the balance of 1952 but feel that gains shown will not be large enough to offset the lower figures for the earlier part of 1952. As a result, some sources predict that over-all sales will be off 10%-15% for the full year. Meantime there have been few price increases but costs have been edging higher, the net result being pared profit margins.

Federal Government mortgage regulations, of course, play a prominent role in the rate of residential building. Recently, Central Mortgage & Housing Corp. launched a more liberal and flexible policy in granting loans under Section 31A of the National Housing Act. It's designed to close any gaps, occurring mainly in cities between 5,000 and 50,000 population, where availability of mortgage money is the only obstacle to the prospective owner-builder.

Previously, this type of loan, made entirely by the Federal Government, had been available only for financing home building in semi-rural communities of 5,000 and under.

One of the big factors behind the development in building boards over the last few years has been the demand for low-cost building materials. Another is the increasing emphasis on finding new uses for mill waste from manufacturing and logging operations as a raw material. This latter trend is similar to the efforts of the meat packers to "market everything but the squeal" and is meeting with great success.

Wood "Waste" Use

Canadian Forest Products Ltd., of Vancouver, for instance, has been making hardboard from the wood waste of its Douglas fir plywoods plant since 1948, now has a productive capacity over four times the original figure. This wood had been used as a fuel to generate steam for the plant.

Another example is the Trafalgar Mills Ltd. plant at South Nelson, N.B. It turns out "plaswood," a heavy chip board finding large markets in linoleum and tile underlayment, partition work, floor tiling, interior sheathing and furniture corestock. Raw material is the waste from 10 lumber mills in New Brunswick and Nova Scotia.

Undoubtedly, research will uncover many more chances for converting waste products of the forests into new wealth in the form of building board. The Forestry Branch of the Department of Resources & Development, for one, has been conducting tests on production of insulating fibreboards and hard-pressed fibreboards from western red cedar shingle mill waste and has turned out boards suitable for a number of uses.

Although not related to wood, another interesting development is a process for manufacturing insulating boards from straw. Plans are to build a plant in Saskatchewan with an initial capacity of 14 million sq. ft. a year. The wet straw fibres, which are chemically treated, and fabricated into boards then pressed and dried.

Wide Ranges of Products

The various wood-base building products turned out in Canada these days include fibreboard, hardboards, building paper, plywoods and plastic boards.

Fibreboards are used as wall paneling, plaster lath, roof insulation, ceiling tiles and exterior sheathing. In addition to their insulating properties, ease of application and low cost, fibreboards give an attractive interior finish. Topped with colored granules on an asphalt saturated base, they give lasting, climate-proof protection in brick, stone or shingle designs.

Standard uses for hardboards include walls, ceilings, sub-floors and cabinets. They can be bent and applied to curved surfaces. Other boards are scored to resemble wall tile and when finished in baked enamel can hardly be distinguished from the real thing. To raise their resistance to moisture absorption, hardboards used in bathrooms and kitchens are tempered.

Building papers are turned out in a great variety of plain, saturated and coated types. Built-up roofing and membrane waterproofing are common examples. Others include vapor barrier papers, installed on the inside face of insulated walls and sheathing papers designed to "breathe," thus permitting water vapor trapped in the wall to escape outside.

Plywood Popularity

Plywoods have both utilitarian and decorative purposes. British Columbia Douglas fir is the most popular of the softwood types due to its reasonable cost, workability and attractive graining. Cheaper grades are used for concrete forms, wall and roof sheathing and sub-floors. Better grades go into interior panelling, cupboards and slab doors.

Plywood surfaces may be plain or have grooved etched or other textured effects. Weatherproof grades of softwood plywood may be used as an exterior finish. Hardwood plywood, on the other hand, is rarely if ever used outside.

Paper-based plastic boards have been gaining wide acceptance since the war. They possess many advantages for wall paneling and counter tops, as a laminate of special grades of fine papers treated with phenolic and melamine resins, then molded into shape under tremendous heat and pressure. The material is unaffected by moisture, food acids, resists wear and temperature changes and is readily cleaned.

Where We Send Our Wood Pulp

(In tons of 2000 pounds, air dry weight)

Exports by Countries To:	1947	1948	1949*	1950	1951
United States	1,499,301	1,590,674	1,304,774	1,694,444	1,831,421
British Empire	153,628	181,825	177,358	123,522	225,632
Australia	16,118	11,229	3,544	5,381	6,908
British South Africa	28	0	0	220	0
Hong Kong	498	0	69	0	0
New Zealand	0	0	0	0	1,473
United Kingdom	136,976	170,596	173,745	117,921	217,251
Latin America	13,706	10,487	5,519	10,991	32,071
Argentina	0	371	0	0	52
Brazil	10,405	5,208	2	0	14,074
Chile	0	111	772	554	5,241
Colombia	768	1,439	220	1,694	875
Cuba	0	257	557	1,763	457
Mexico	1,973	330	2,062	4,311	7,647
Peru	0	436	225	1,011	1,516
Uruguay	0	0	40	0	16
Venezuela	560	2,335	1,641	1,668	2,183
Europe and Eire	29,844	11,902	49,756	11,387	91,798
Belgium	3,230	806	739	2,820	12,950
Eire	200	0	0	0	0
France	22,939	4,563	7,558	5,821	37,696
Germany	0	5,431	40,059	2,093	25,680
Greece	0	1,102	0	0	0
Italy	997	0	1,100	3	11,231
Netherlands	1,806	0	2	400	3,181
Portugal	500	0	0	0	0
Spain	108	0	0	27	27
Switzerland	64	0	298	223	1,033
Asia and Africa	2,233	3,110	11,299	5,799	62,400
China	2,233	197	0	682	0
Egypt	0	0	0	280	224
India	0	600	50	0	661
Japan	0	2,313	11,249	4,837	61,515
Total, all countries	1,698,712	1,797,998	1,548,706	1,846,143	2,343,322

Source: Canada, Dominion Bureau of Statistics.

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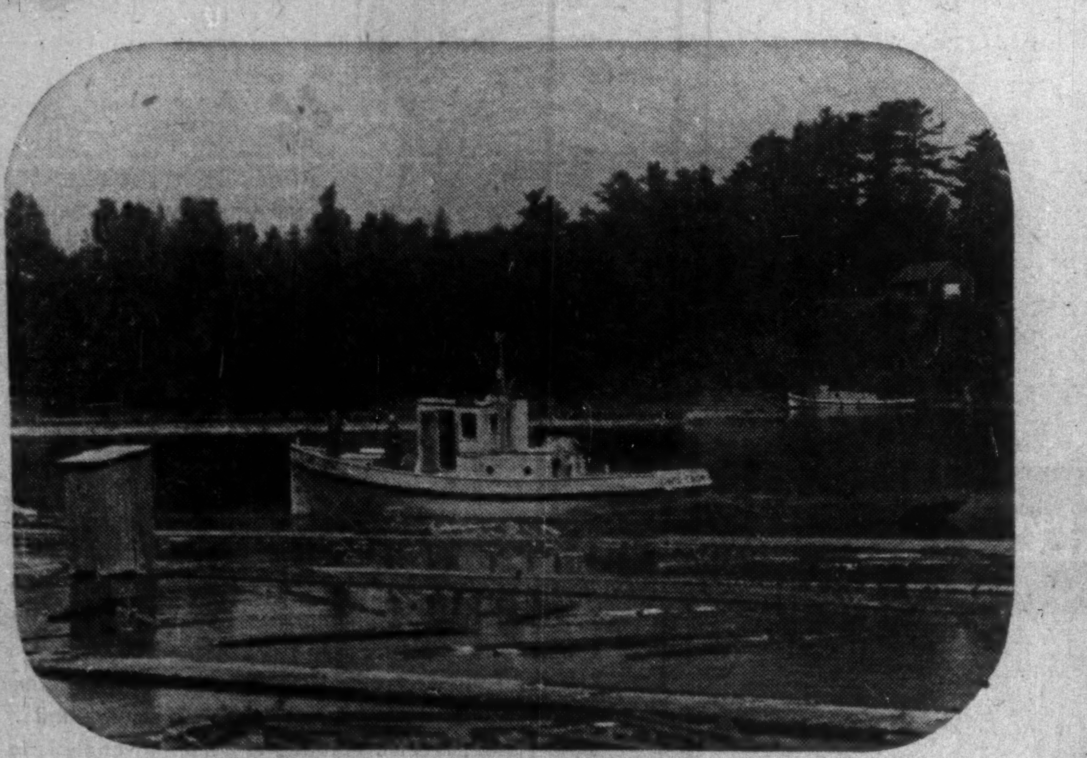

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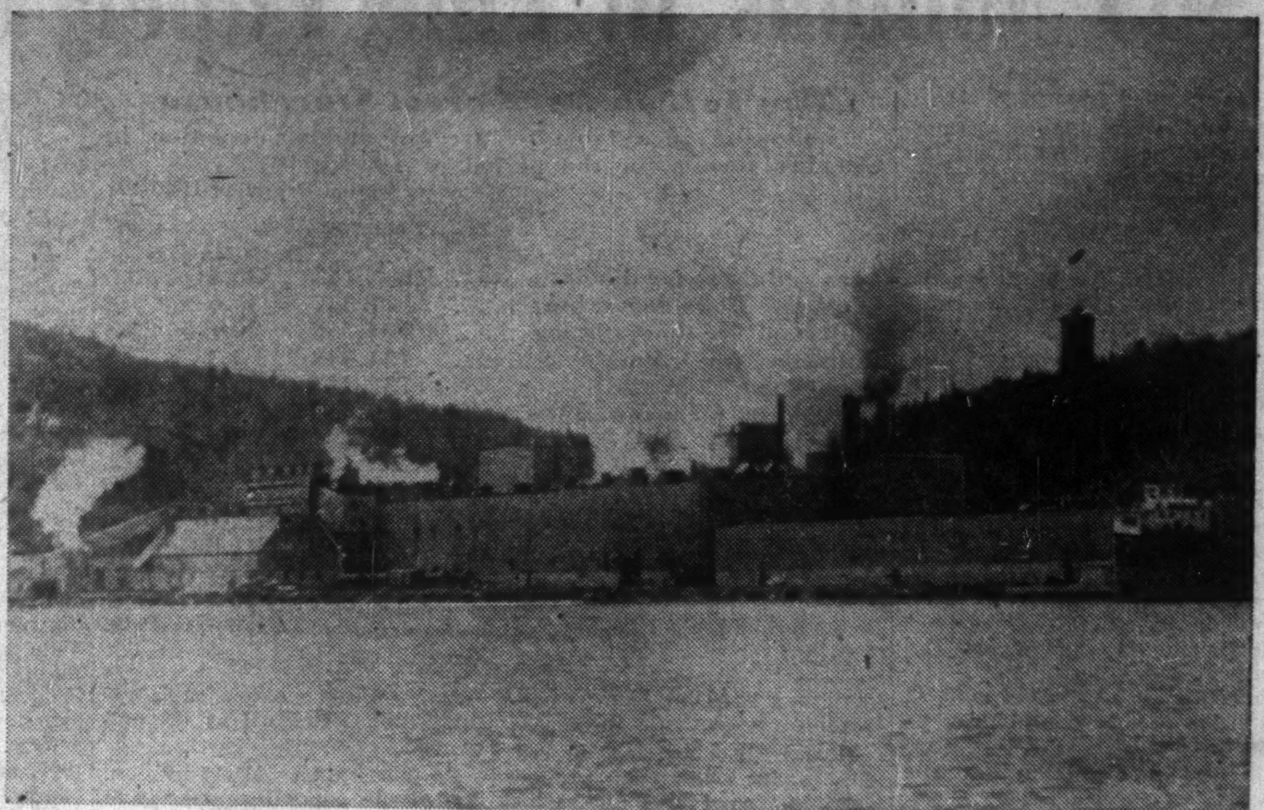

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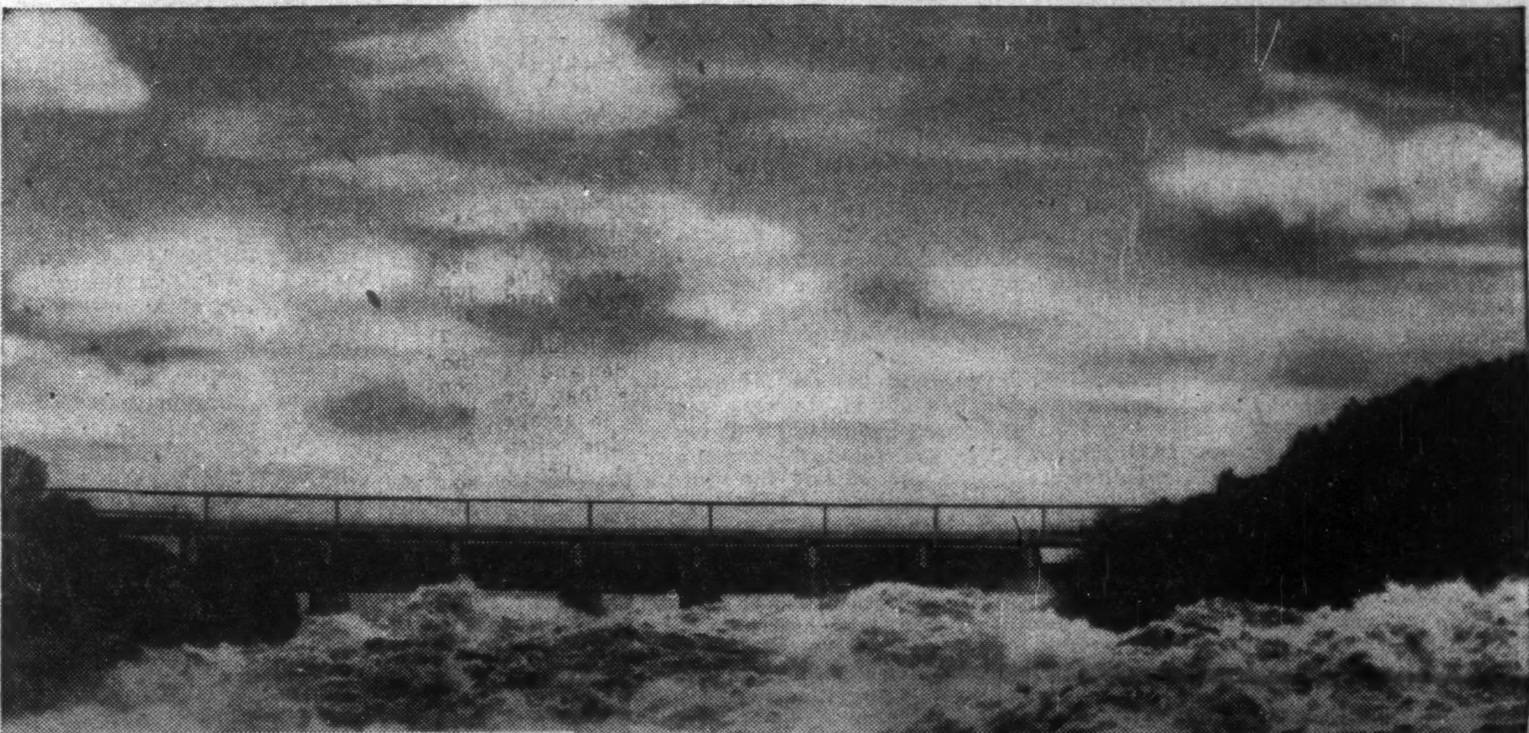
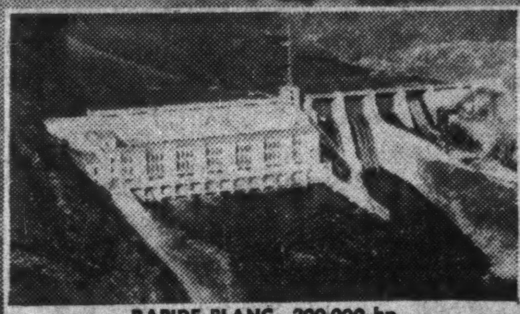
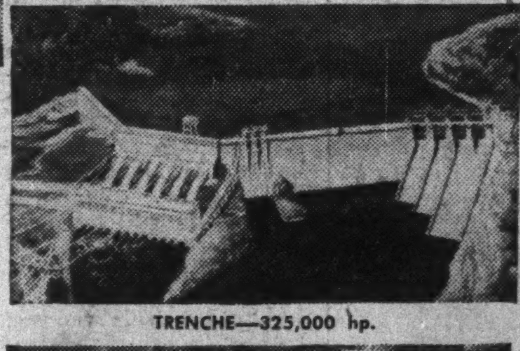




RAPIDE BLANC—200,000 hp.



TRENCHE—325,000 hp.

LA TUQUE—222,500 hp.

GRAND'MERE—201,000 hp.

SHAWINIGAN FALLS—489,900 hp.

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What's Ahead for World Newsprint Demand, Price?

Canadian Industry Now Getting Benefits Of Its Over-Expansion of the 30's

Newsprint has been accounting for a steadily decreasing percentage of the total output of the Canadian pulp and paper industry, but production is still rising and it's still the biggest single factor in Canada's biggest industry.

Output this year is expected to reach a whopping 5.7 million tons—a 25% increase from the 1946 level. Value of production rose in the same period from $281 millions to an estimated $565 millions in 1951—nearly half the total for the whole industry. It'll probably be around $600 millions this year.

At first glance this looks like an out-size increase in dollar volume. But the price at the beginning of this period was still under control and based on the thoroughly unprofitable prewar price levels. The price has been attractive enough to encourage the building of only one new mill since 1946, and that one with the backing of a producer already in the business.

The mills are busy now, but how sound is the expansion and how permanent is the demand?

Demand Steadily Up

Strangely enough, the demand for newsprint, even through the hungry '30s, has shown a remarkably steady upward trend. Production figures showed some fair-sized swings, but in the main, they continued to push higher despite the great drop in other industries during that period.

But the root of the trouble was this: the industry has expanded far beyond the needs of a depression-racked economy. The gap between actual production and industry potential in 1932 was two million tons—nearly as much as the total production that year.

As a result, the price remained depressed, a good deal of the industry went into receivership, and the value of production stayed below the 1929 level until 1940, even though physical volume in that period went as high as one third more than the 1929 total.

Output in no year fell more than 27% below the 1929 peak, but the low year (1932) found the industry using only 52.8% of its capacity. So the Canadian producers had to struggle along on a starvation diet until demand caught up with the vastly greater supply that the mills had been designed to turn out.

The turning point came in 1946, the first year after the war. The newsprint manufacturers increased output that year by 25%, and the 1952 production is expected to be 58%, or 2.1 million tons ahead of the 1945 volume. That increase is roughly equal to the expected combined 1952 production of the United States, Britain and Sweden—next to Canada, three of the four top producing countries in the world.

The increase in capacity has been steady, mainly through speed-up of existing machines, although new machines have been installed by Great Lakes Paper and Powell River Co. since the war, and another is expected to start operating at Richmond Pulp & Paper's mill at Bromptonville, Que., in December. One new mill has been built—by Elk Falls Co. at Duncan Bay, B.C.

Thus out of 11 new pulp mills built since war's end, only one has been built as the basis for a new newsprint operation.

The method by which the industry has expanded these last few years appears to have been a sound one. In the '20s there was the rush into mill-building, and capacity soon outstripped demand. Chaos is a tame description of the result.

Since 1945 the growth in demand, particularly in United States, has been far greater than forecasts made by the industry or the publishers had predicted. Yet though there have been shortages, the extent to which the Canadian industry was able to supply the hungry markets, without any big wave of millbuilding, has been remarkable.

U. S. consumption has risen 2.5 million tons a year, or 70% since 1945. Four fifths of the additional tonnage has been supplied by Canadian mills.

Supply Meeting Demand

And yet, after an increase in production here of 2.1 million tons, supply and demand appear just about in balance. U. S. consumption has leveled off during the past two years, U. S. publishers have their inventories in good shape, and overseas markets are getting more Canadian newsprint than they've had since the early postwar years.

This balance between current industry capacity and current effective demand is giving rise to greater confidence that the industry has finally learned how to escape the terrible instability that results when a couple of million tons of idle capacity overhang the market.

Certainly producers still remember with a shudder the years of famine, and they're not inclined to overestimate the potential demand in planning future expansion, if it's physically possible to avoid it.

It doesn't take much of a change, tonnagewise or percentagewise, to change a shortage into a surplus.

What makes one think that "this time it will be different," that the prewar boom and bust won't be repeated?

The current capacity-demand balance is one indication. There are others too.

Industry officials say they think there may be some drop in demand in the coming months. Already, a good deal of the former urgency has gone out of their customers' requests for more tonnage. The mills can't dispose of their "trim"—odd-sized rolls left over—as easily as they could. The grey and black market business has just about disappeared, because newsprint users, in most cases, can get all they want through the normal channels.

The Scandinavian mills, who were charging as much as $300 a ton when scarcity was greatest, are quoting prices about as low as those of the Canadian mills. Some of the mills in the U. K. and Scandinavia are operating on shorter time.

Growth Will Continue

But all this hasn't altered the opinion held by most industry people that the growth in demand over the long term is going to continue. Here are some of the reasons:

A survey prepared for the American Newspaper Publishers' Association predicted last fall that by 1960 U. S. consumption would reach 7½ million tons annually—an average annual increase of 156,000 tons.

This wasn't intended to prove that the increase each year is going to approximate that figure. The increase in 1951 over 1950 was not quite 40,000 tons, and the increase this year over 1951, at the present rate of increase, will be about 60,000 tons.

But the ANPA survey predicted that "a need for 8.7 million tons of newsprint (for Canadian and U. S. consumption plus continental exports) is in the future picture just as surely as a continental need for six million tons was in the future view of a decade ago." Over the period the amount of the jump in use each year may vary considerably.

The U. S. publishers suggested that although some of the additional supply may come from expanding U. S. capacity, Canada is the most likely source of the extra newsprint they will require.

Canada, they point out, has the forest resources suitable for making newsprint. The pulp and paper industry in southern U. S. is growing, and newsprint has a competitive chance, but other pulp and paper products have dominated the expansion picture there so far.

Limited U. S. Expansion Room

Except perhaps for a limited number of small ventures in the Rocky Mountain region, blocking up enough pulpwood to justify new mill construction elsewhere in the U. S. is practically impossible, it was held.

They added that there were possibilities for expansion by existing producers in the west and northeast, or through shift back to newsprint by former manufacturers, or through development in Alaska. As elsewhere, however, competitive costs control the situation, it was pointed out.

Since the report was published, the U. S. National Production Authority has set an expansion goal of 494,000 tons of additional annual U. S. newsprint capacity. So far, it has granted certificates of necessity for 375,000 tons capacity which wil permit newsprint makers to write off the new facilities in five years.

Some of this is under way, but a good deal of it is not. And NPA has had difficulty in lining up prospective manufacturers to take on the job of adding the 120,000 tons for which no certificates have yet been issued. The reluctance, they report, is due to the high cost of investment and production and comparatively low returns. Manufacturers told NPA they could make more money in other branches of the pulp and paper industry.

What about the rest of the world? The United Kingdom has expanded its newsprint capacity (140,000 tons a year built or building), but it is also taking more newsprint from Canada. British newspapers were allowed to increase the size of their papers by two pages effective Aug. 24, in view of the improved newsprint supply.

Canadian newsprint shipments to Britain have been on the increase despite a reduction in operations by U. K. newsprint mills recently, reflecting the long term contracts renewed in the past couple of years with Canadian mills. Canadian newsprint, despite its price increases, remains competitive in price and quality in the U. K. market.

The Scandinavian producers, whose output rose to one million tons last year, exported about the same volume of newsprint in the first half of this year as they did a year ago, but some reduction in production has been reported recently and prices have dropped as low as (in some markets lower than) Canadian. But the trend in Scandinavian countries in recent years has been to upgrade their pulp and paper output, and newsprint capacity isn't showing any signs of growing.

Australia had added a new 55,000 tons of annual capacity, bringing total capacity to about 80,000. But full output hasn't been realized due to drought conditions. In any case, expected growth of demand will require a continued high level of imports (125,000 tons monthly), even if full operation of present capacity (the limit to which it's expected to expand) is achieved.

New Zealand has two newsprint projects under consideration, one involving 50,000 tons annually and the other 60,000. At present, it gets most of its 35,000-tons-a-year supply from Canada. If the projects go ahead it would probably compete in the Australian market particularly.

At the moment, Canadian newsprint sales in Australasia are increasing, seven months' exports this year having roughly equalled the 37,000 tons shipped to that area in all of 1951.

Reports of proposed mills in other countries are fairly frequent, but the number being built is small. Two new 30,000-tons-per-annum mills are expected to be completed in Argentina within a year, and 45,000 tons' capacity has been added in Brazil.

Won't Hit Canadian Demand

Except for the Russian-dominated countries, that's about the extent of the new capacity being built outside this continent, so far as is known. Even if all these go ahead, it would add up to 410,000 tons above the 1951 capacity of these countries. Part will go to supply needs not now filled at all, part won't be completed.

It may result in some loss of business for the Canadian mills. But the recent reduction in the price of newsprint in foreign markets is thought likely to increase the effective demand, which has been running in most cases at the very minimum, due to import and currency controls. Canadian prices have so far compared very favorably with newsprint produced in mills built at today's high construction costs.

If countries have the necessary dollars they'll probably still want to buy newsprint here. If they're short of hard currency they wouldn't be able to buy in Canada anyway, and the building of new mills abroad will improve their newsprint supply position, but won't necessarily mean a loss of business for Canadian producers.

World demand (not including Canada and the U. S.) increased 325,000 tons in 1950 over 1949, 115,000 in 1951 over 1950, and this year is expected to be 200,000 tons ahead of last.

If anything like that rate of growth continues—a growth which has occurred in an atmosphere of artificial restrictions—the addition of 400,000 tons capacity outside this continent wouldn't fill newsprint needs abroad for very long.

Although it's not practical these days to wonder what demand would be if international trading conditions were good, it's in-

(Continued on page 50)

How Canada Leads the World

World Newsprint Production (tons):

	1950	1951	1952*
Canada	5,278,585	5,516,000	5,690,000
U. S. A.	1,014,703	1,125,000	1,120,000
Argentina	1,000	1,000*	35,000
Brazil	30,795	30,000*	30,000
Chile	12,000	13,500*	14,000
Peru	4,400	4,000*	4,000
Britain	609,280	590,100	645,000
Finland	459,826	454,000	460,000
Norway	175,235	180,000	168,000
Sweden	357,904	365,000	358,000
Belgium	66,000	66,000*	68,000
Denmark	2,000	2,000*	2,000
France	336,000	355,000*	355,000
Germany—E. Zone	150,000	150,000*	150,000
W. Zone	187,000	187,000*	215,000
Netherlands	95,000	108,000*	110,000
Poland	55,000	60,000*	60,000
Portugal	2,525	2,525*	2,500
Russia	400,000	400,000*	400,000
Switzerland	52,000	55,000*	55,000
Austria	78,500	83,000*	100,000
Bulgaria	4,000	4,000*	4,000
Czechoslovakia	53,000	53,000*	53,000
Hungary	6,000	6,000*	6,000
Roumania	4,500	4,500*	4,500
Italy	94,000	109,000*	123,000
Spain	25,000	26,500*	27,500
Turkey	5,000	6,500*	6,500
Egypt	1,500	1,000*	1,000
China	20,000	20,000	20,000
Japan	145,281	200,000*	204,000
South Korea	2,000	2,000*	2,000
Australia	35,000	35,000*	50,000
Taiwan	3,800	6,100*	8,000
Total	9,767,634	10,220,725	10,551,000

*Estimated.

Source: Newsprint Association of Canada.

Canada's Newest Newsprint Mill Goes Into Production in British Columbia

At Duncan Bay, on the east coast of Vancouver Island, Canada's newest newsprint mill, first complete mill built recently, officially goes into production next week. It's the $18 million property of Elk Falls Co., organized by Canadian Western Lumber Co. and Pacific Mills Ltd. during 1950; streamlined from woodroom and conveyor, right, through groundwood mill and wet machine, top to the shipping docks, left, it has 320 tons a day capacity. 78,000 tons of material were required for construction, including 23 miles of steel pipe; more than 100 miles of electrical wire and 7.3 million bd. feet of lumber.

What's Ahead for World Newsprint?

(Continued from page 49)

teresting to note that, on the basis of forecasts made late last year, U. S. 1952 demand would be 2,671,000 tons greater than the prewar level. The heavily restricted demand of the rest of the world was expected to be only 55,000 tons greater, indicating that a terrific if still somewhat nebulous potential newsprint market exists outside this continent.

Price Problems

The prices at which Canadian newsprint producers have offered their newsprint since the war has come in for a lot of criticism.

U. S. publishers and politicians have proclaimed loudly, with each increase, that the Canadian mills are charging too much. There have been complaints from some shareholders of the newsprint companies, on the other hand, that their companies have been too conservative, that Canadian newsprint should have been sold at the going world price so that companies could build a comfortable surplus for the future as well as pay larger dividends.

There's considerable evidence that the pricing policy has made good sense. In fact, it looks like one more good reason why the industry isn't likely to get caught again in the prewar fashion.

Why? For one thing, the balance already noted between Canadian capacity and available demand probably wouldn't now exist if the producers had charged what the traffic would bear. High prices would have encouraged greater expansion, development of newsprint using materials other than wood as raw materials, and probably the build-up for a breakdown.

Apparently the return has been just attractive enough to bring in production sufficient to handle the demand and not much more—perhaps no more. It looks that way at the moment, anyway.

The Customer's Margin

There's another factor that makes producers wary about increasing prices more than is necessary. Customers have to be able to make a profit to stay in business, and the fastest way to kill them off is to charge more for your product than it's worth.

In the U. S., it has been charged that the price is already too high, at $126 (U. S.) a ton, delivered in New York. It's claimed that several hundred newspapers have been forced out of business because of high newsprint costs. However, the evidence seems to point to increasing competition from the large city papers as the main reason for failures and mergers which have taken place.

Milline rates for advertising in U. S. morning and evening newspapers—that is, cost per agate line per million of circulation—were only 25% higher in 1951 than the lowest figure they reached during the past 30 years. In the case of the Sunday newspapers, the 1951 average rate was 34% above the lowest during that period.

Since the cost of producing newsprint and most other commodities has risen much more than that, it would appear more reasonable to increase advertising rates to bring them in line, rather than blame newsprint makers for charging prices that cut into publisher profits.

Production Costs

As one Canadian newsprint manufacturer pointed out recently, cost of just the pulpwood alone in a ton of newsprint about equals the price received for the newsprint in the '30s.

If the price isn't right, it's surprising also that consumption in the U. S. is bowling along at a six-million-tons-a-year rate, compared with a range of 2½ million-4 million from 1923 to 1945.

So far, efforts to produce newsprint from sugar cane waste and other substitute materials have had indifferent results. But Canadian producers' costs, particularly for wood and freight, have risen to a point where, in many cases, they are greater than those of mills in the U. S., particularly in the South.

The decision of Bowaters to build a mill in Tennessee, after examining sites here and in the U. S., is regarded as an indication of the unfavorable trend in Canadian costs compared with those in the Southern States.

Our Favored Position

In our favor is the great demand for newsprint, and the lack of suitable wood available for making the product elsewhere. Our mills, for the most part, were built at costs far below present-day levels, too, and although additions have been costly, when averaged with the cost of the original plant, they retain a good part of their competitive advantage.

The cost of a modern newsprint mill has discouraged many a potential producer. Even in the U. S. South, a greater return was available by using the lower-cost wood for other pulp and paper products, and only one new newsprint development has been completed since the war.

Certainly in the overseas markets Canadian prices have looked very attractive to newsprint users since the war, compared with those asked by nondollar producers. Yet even with the high prices offered for nondollar newsprint, very few additions to newsprint capacity have been made outside North America.

But forward-looking Canadian newsprint makers know they can't rest on their laurels. The search for materials other than wood for making pulp for newsprint continues, and eventually some competitive process will undoubtedly be found. They know that if they are to be able to handle the increasing world demand they must increase the amount of newsprint from the available wood supply, without depleting the supply available for future years.

Test Tube Optimism

Thus the research efforts being made by the newsprint manufacturers, and the pulp and paper industry, is a real basis for optimism in the industry outlook. More money than ever before is being spent to find ways of using tree species hitherto regarded as useless, to get a greater yield of chemical pulp from a given quantity of wood, to develop continuous processes for chemical pulping, to produce lucrative chemical byproducts, to combat fires, insects and disease, to make sure the wood they cut isn't lost along the way to mill through sinkage or floods.

To finance these efforts the companies have been plowing back the earnings that have developed since the tide in newsprint demand turned six years ago, and the price plus increased production made possible a vast improvement in their financial position.

Canadian exports (newsprint is our biggest, this year will total an estimated $575 millions); thousands of mill and woods workers' wages; the income of the whole nation; all have a big stake in the success of these research ventures to make a still greater future for newsprint.

Paint Sales Up To Threaten 1951 Records

MONTREAL (Staff) — Paint producers are continuing to rack up the sales gains they've been showing since mid-March and, if present demand holds, should show a total for the year up slightly from 1951's record $97 millions.

Said one manufacturer this week: "We're very optimistic about the rest of 1952 and expect to show an over-all increase of better than 5% from last year." Others expressed the same sentiment.

The industry had a slow start this year, showing substantial sales drops in the first two months. For the first five months, sales totaled $43.9 millions, off a slight 1.1% from the same period of 1951. March, April and May all showed gains from the comparable months a year ago, the latter 6.9% and this upward trend has continued.

Trade sales of paints, varnishes and lacquers, and sales of water paints, accounted for all of the increases in the monthly totals. Industrial sales, however, have strengthened considerably, paralleling the pick-up in demand for hard goods. One of the question marks facing producers is whether the drop in steel supplies as a result of the U. S. strike will mean a cut-back in production of hard goods; if it does, demand could soften again.

Raw materials are in good supply, paint firms report, and price changes in recent months have been fairly minor. Both linseed oil and glycerin are a bit higher; on the other hand, the drop in the U. S. exchange rate means that a few raw materials are slightly cheaper, most important being titanium pigments. As one manufacturer points out, however, "any savings on raw materials have been offset by higher freight costs and wages."

COMPANY REPORTS

ALBERTA CONSOLIDATED GAS UTILITIES realized a net profit of $16,347 for itself and subsidiaries in the seven months ended Dec. 31, 1951, the first annual report shows. As at Dec. 31, 1951, 350,000 common shares were issued together with $567,896 of 5% first mortgage bonds of the company and its subsidiaries. Balance sheet as at Dec. 31, 1951, showed $164,927 current assets as against $344,091 current liabilities which included a $208,000 bank loan.

So far in 1952 options and warrants to purchase an additional 174,950 shares have all been exercised, with the exception of 100 shares. (An additional $393,412 is understood to have been realized).

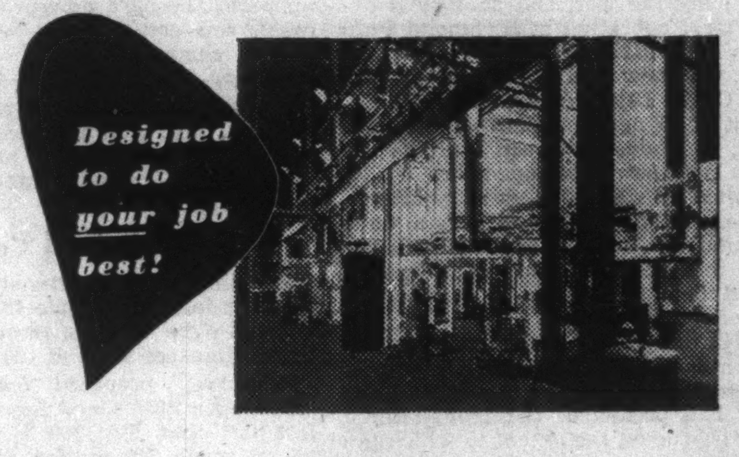
Of present operations, President Walter F. Thorn reports:

"The earnings of the company do not reflect the full potential for the part of the year under consideration, as several of our subsidiaries were in the process of construction and therefore average load factor was not obtained. 1952 should show a substantial gain both in consumers and load factor.

"Your management has under consideration for our 1952 program several natural gas utility systems. A thorough study of propane and propane distribution has been made, and it is anticipated that your company will enter this field in 1952."

See Canadian Locomotive for
CREATIVE EVAPORATOR ENGINEERING

Performance records prove... the Conkey Long Tube (film type) Vertical Evaporator cuts overall evaporating costs



Conkey Long Tube (Film Type) 6 Body Quintuple Effect Evaporator installed in West Coast pulp mill.

Here's the ideal evaporator for the concentration of foaming liquids and heat sensitive materials.

Advantages of this equipment, used as a one-pass film type evaporator, include: low static head loss . . . increased working temperature drop . . . high heat transfer rates. The liquid under evaporation seeks its own level in the heating element tubes, requiring no control. The rapid single-pass travel of the liquid through the tubes reduces the retention time at vaporizing temperatures to a few seconds.

This evaporator is self-regulating to a high degree and may be operated by unskilled labor.

It may be put under automatic control with minimum instrumentation. Its vertical, long tube construction permits large areas of heating surface to be concentrated in small floor space without sacrificing accessibility. Conkey Long Tube Vertical Evaporators are built to order in any practical size from all the usual weldable materials, and also in a wide range of special metals and protective coverings to resist corrosion or to prevent contamination of the product.

We'll be glad at any time to show you how a Conkey Evaporator can save you money and improve the efficiency of your evaporating operation.

CLC Also Makes
Conkey Disc Type Filters
Rotary Leaf Pressure Filters
Evaporators
Louisville Coolers
Selectro Vibrating Screens

Canadian Locomotive Company Limited

Equipment Sales Office
85 Richmond St. W.
Toronto

Locomotive Sales Office
980 St. Antoine St.
Montreal

Kingston, Ontario

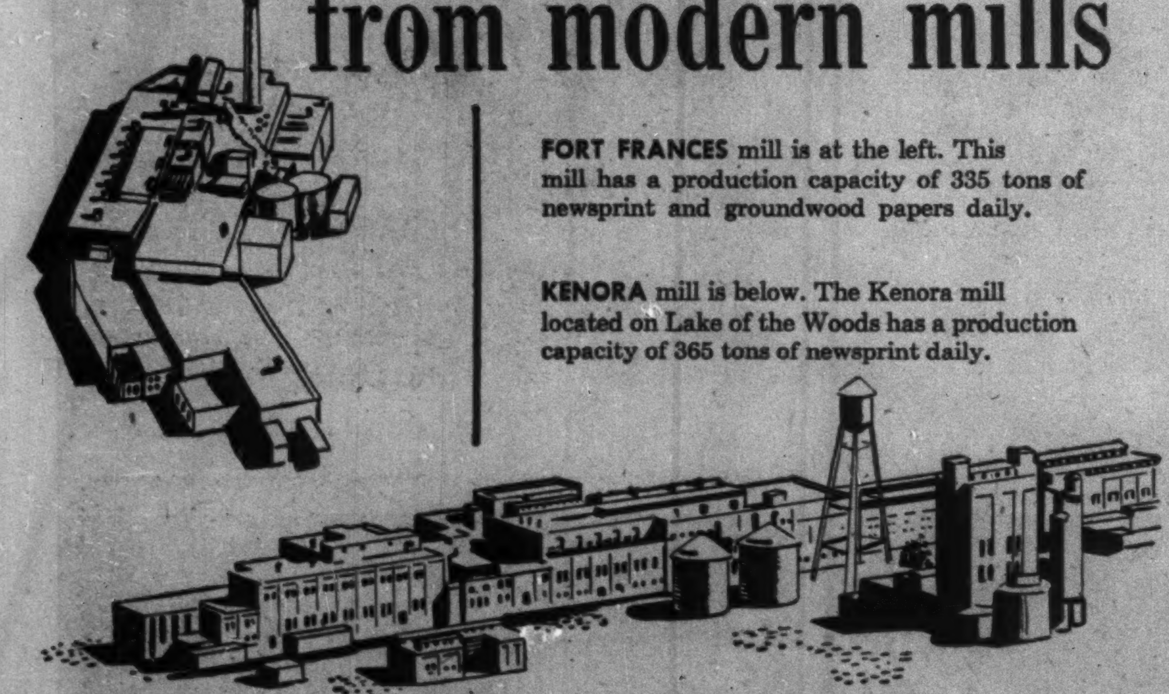
IRVING PULP & PAPER
LIMITED
manufacturers of
HIGH GRADE BLEACHED SULPHITE

Our plant served by **both Canadian Railroads**, and, in addition, **shipments by water** can be made from the year-round port of Saint John, N.B.

HEAD OFFICE
FAIRVILLE, N.B.
CANADA

TELEPHONES
4-2066 4-2067 4-2068

Quality paper from modern mills



FORT FRANCES mill is at the left. This mill has a production capacity of 335 tons of newsprint and groundwood papers daily.

KENORA mill is below. The Kenora mill located on Lake of the Woods has a production capacity of 365 tons of newsprint daily.

● The Minnesota and Ontario Paper Company is constantly improving its facilities and pushing forward its product diversification program. This is consistent with its objective of improving present products and of making available, at competitive prices, a variety of pulp and paper products to satisfy the varying needs of its customers.

At its Kenora, Ontario, and Fort Frances, Ontario mills its wood handling methods and equipment are being improved. Pulping processes are being modernized with new facilities and equipment. Paper machines are being completely overhauled and the most modern paper manufacturing innovations are being installed. Steam plants are being converted to lignite fuel at substantial savings. Bark disposal methods are being advanced.

These and many other improvements are part of the $29 million program of M and O.

MANDO
THE ONTARIO-MINNESOTA PULP AND PAPER COMPANY LIMITED
MILLS AT KENORA AND FORT FRANCES, ONTARIO

New and Vast opportunities are opened to
QUÉBEC'S YOUTH
in the pulp and paper industry...

On October 18, 1951, Premier Maurice Duplessis officially opened, in his home town, the Province's new and modern Pulp and Paper School. This achievement is a gigantic stride in progress, combining technical and research facilities for Québec's youth.

The Provincial Government, in this as in other lines, seeks to provide Québec's vast industries with a flow of ambitious and highly trained young men. Québec's great industries have drawn in the past as they will in the future, top-flight labor from the numerous schools established by the Provincial Government, among which are:

- Technical Schools in Montreal, Québec, Three Rivers, Hull, Rimouski, Shawinigan Falls, Sherbrooke and Chicoutimi
- Graphic Arts School, Montreal
- Papermaking School, Three Rivers
- Textiles School, St. Hyacinthe
- Automobile School, Montreal
- Marine School, Rimouski
- Central Commercial School, Montreal
- Female Trade School, Montreal
- Arts and Crafts Schools in all sections of the Province

LA PROVINCE DE Québec

Published by the Provincial Publicity Bureau

Here's Report on the Newsprints Firms

Abitibi

Abitibi Power & Paper Co., directly and through subsidiaries, manufactures newsprint, sulphite pulp, printing and fine papers, and paperboard. It is one of the world's largest manufacturers of pulp and paper, having an annual manufacturing capacity of 690,000 tons of newsprint, 65,000 tons of bleached sulphite pulp and 31,000 tons of unbleached sulphite pulp, 75,000 tons of fine paperboard and 34,000 tons of corrugated board. There are 19 newsprint machines in operation in the Abitibi mills.

Properties include six newsprint mills located at Iroquois Falls, Fort William, Port Arthur and Sault Ste. Marie, Ont., Beaupré, Que., and Pine Falls, Manitoba. A bleached sulphite mill is located at Smooth Rock Falls, Ont., a new hardboard plant and a corrugated board mill at Sturgeon Falls, Ont. Company also has hydro-electric plants with a rated capacity of 125,000 hp located on the Abitibi River at Twin Falls, Iroquois Falls and Island Falls, at Smooth Rock Falls on the Mattagami River, and Sturgeon Falls on the Sturgeon River.

Its subsidiary, Provincial Paper Ltd., operates mills for the production of fine paper at Port Arthur, Thorold, Georgetown and Mille Roches, Ont. (See article on page 47.)

Abitibi now also owns 50% of the issued and outstanding common shares of Alaska Pine & Cellulose Ltd. (formerly British Columbia Pulp & Paper Co.), which owns and operates two dissolving pulp mills on the Pacific Coast with a capacity of 130,000-140,000 tons of chemical pulp a year, and which carries on in British Columbia, through subsidiaries, one of the largest lumbering businesses in Canada.

At Port Arthur, Abitibi is constructing a plant to extract sulphur from iron pyrites. Expected to be in operation this autumn, the plant will produce sulphur dioxide equivalent to 10 tons of sulphur a day. At Sault Ste. Marie, Abitibi plans to use liquid sulphur dioxide which will be produced in a new plant being constructed by Canadian Industries Ltd. at Copper Cliff, Ont. Abitibi will then be able to use either liquid sulphur dioxide or sulphur.

Consolidated net profit of $12,997,877 for 1951 was 3% higher than the 1950 net of $12,623,833. With all of the company's mills operating at capacity, production totaled 935,933 tons.

Earnings on preferred stock were $12.37 ($12.02 in 1950) and dividends paid $1.50 ($1.50). Adjusted for three-for-one stock split in 1951, common shares earned $3.07 ($2.92) and paid dividends of $1.50 ($2.25).

Capital expenditures on Abitibi's plant and equipment in 1951 totaled $4,780,968. Major projects were the hardboard mill at Sturgeon Falls and construction of new houses in Pine Falls, Iroquois Falls, Smooth Rock Falls and Beaupré. Several blocks of forest land were acquired from the Canadian National Railways.

Earnings from exchange premium were substantially lower in 1951 than they were in 1950.

For the six months ended June 30, 1952, net sales of $54,962,444 were up 2.8% from $53,462,834 in the corresponding period of last year. Net profit of $4,404,055 was 19.1% lower than $5,441,158 in the same period of 1951. This is equivalent to 97c and $1.25 per common share respectively.

Working capital stood at $25,454,916, compared with $26,403,179 on Dec. 31, 1951, and $25,480,753 on June 30, 1951. Inventories were valued at $35,180,732, compared with $28,332,781 a year earlier. Earned surplus was $41,919,129 ($35,239,062).

Reduction in net profit during 1952 was attributed by President D. W. Ambridge to the decline in the value of the U. S. dollar and increase in production costs, particularly labor. Newsprint mills are running at full capacity, he stated, but production of pulp and board is on a reduced scale.

Capitalization outstanding at June 30, 1952, included 1,050,416 $1.50 cumulative redeemable preferred shares, par $20; and 3,725,082 n.p.v. common shares.

Newsprint Capacity and Output

Here's Canada's newsprint capacity and production: In 000's of Short Tons of 2,000 Pounds

Year	Rated Annual Capacity	Actual Production	Operating Percentage	Actual (a) Production	Value (a) 000's Dollars
1925	1,823	1,619	88.8	1,537	$106,269
1926	2,121	2,068	97.5	1,889	121,065
1927	2,716	2,290	84.3	2,083	132,287
1928	3,281	2,612	79.6	2,414	144,147
1929	3,468	2,984	86.0	2,725	150,800
1930	3,848	2,791	72.5	2,498	136,182
1931	4,217	2,516	61.8	2,227	111,420
1932	4,142	2,186	52.8	1,919	85,504
1933	4,149	2,282	55.0	2,022	66,960
1934	4,182	2,911	69.6	2,605	86,811
1935	4,263	3,083	72.3	2,765	88,436
1936	4,218	3,535	83.8	3,225	105,215
1937	4,211	3,998	94.9	3,674	126,424
1938	4,535	2,983	63.8	2,669	107,051
1939	4,633	3,175	68.5	2,927	120,859
1940	4,716	3,770	79.9	3,504	158,447
1941	4,703	3,771	80.2	3,520	158,925
1942	4,763	3,455	72.5	3,257	147,074
1943	4,678	3,219	68.8	3,046	152,963
1944	4,726	3,265	69.1	3,040	165,655
1945	4,672	3,592	76.9	3,324	189,024
1946	4,641	4,506	97.1	4,162	280,810
1947	4,729	4,820	101.9	4,474	355,541
1948	4,883	4,983	102.0	4,640	402,100
1949	5,113	5,176	101.2	5,187	467,976
1950	5,227	5,279	101.0	5,318	506,968
1951	5,360	5,516	102.9	not available	
1952 (est.)	5,510	5,690	103.3	not available	

(a) Dominion Bureau of Statistics figures. These do not include Newfoundland, except in 1949, but do include relatively small quantities of hanging paper, poster paper, and side runs for pulping.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills Ltd. produces newsprint, unbleached sulphite and board and wrapper at its Quebec City mill. Annual capacity now includes 220,000 tons of newsprint, 75,000 tons of unbleached sulphite and 25,000 tons of board and wrapper. Newsprint capacity is being boosted by another 5,000 tons annually this year.

The company holds 3,177 square miles of timber lands containing an estimated 22-25 million cords of merchantable timber. Woods operations are conducted from Forestville, about 180 miles from the mill.

Actual output of newsprint in 1951 rose to 217,571 tons (200,000 tons in 1950), while production of unbleached sulphite at 39,681 tons (21,000 tons) and paperboard at 17,525 tons (5,000 tons) were also higher. Net profit climbed 40.4% to $4,246,134 ($3,023,324).

This year net profit may be off 30-40% from 1951, the company estimated recently. While newsprint output has been running at capacity, production of unbleached sulphite has been at about 75% of capacity, and board and wrapper at about 60% of capacity. In addition, prices for unbleached sulphite were reduced by approximately $20 per ton, effective July 1.

During the year the additions to the original installation of the board machine were completed, as was installation of three additional digesters. A second Kamyr machine was installed.

Earlier this year Anglo-Canadian acquired a small interest in the newly formed Canadian Glassine Co., which is building a plant for production of glassine and specialty papers. Under the proposed arrangements slush pulp will be supplied to it through a pipe line from Anglo-Canadian.

Anglo-Canadian holds a 50% interest in Lignosol Chemicals Ltd., which opened its new $1.25 million Quebec City plant last June. It processes waste sulphite liquor into various forms of lignosol.

Anglo-Newfoundland

Anglo-Newfoundland Development Co. operates a newsprint mill at Grand Falls, Nfld., with an annual capacity of 230,000 tons of newsprint. It can also produce 15,000 tons of unbleached sulphite pulp for sale and 4,500 tons of wrapper annually.

Through one wholly owned subsidiary, Gaspesia Sulphite Co., the company owns an unbleached sulphite mill at Chandler, Que., with an annual capacity of 82,500 tons. Through another, Terra Nova Properties Ltd., it is entitled to 50% of the net profits of Buchans Mining Co., an important Newfoundland zinc-lead-copper producer.

Deep-sea shipping facilities are owned at Botwood, some 22 miles from Grand Falls. In ad-

(Continued on page 52)

New Unifiner has adjustable head for greater pulp capacity, TIMKEN bearings for greater plug accuracy

DUE to its adjustable head, this new No. 1 Noble and Wood Machine Co. Unifiner can process up to 25 tons of kraft pulp a day—even though its plug is only 22" in diameter and 35½" long. And due to the Timken tapered roller bearings on the plug shaft, accurate spacing is maintained between plug and shell—uniform pulp disintegration assured.

Because Timken bearings are tapered, they carry the terrific thrust loads of the plug, as well as the radial loads. Line contact between rollers and races provides capacity to spare in a small space resulting in a more compact design. The plug is centered accurately in the shell, knife breakage is reduced.

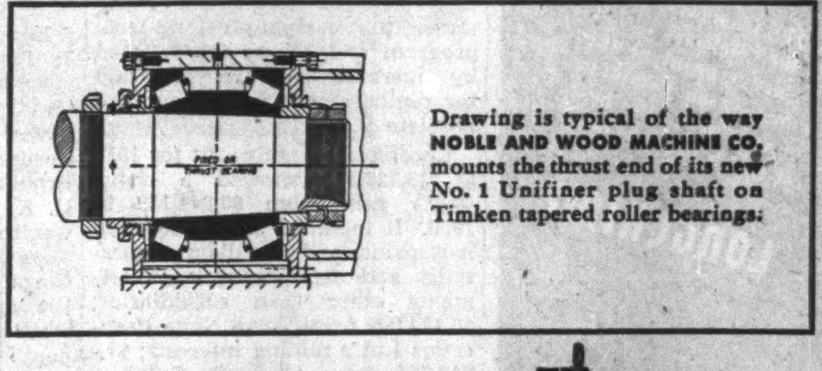
Timken bearings have true rolling motion and an incredibly smooth surface finish. They reduce friction, reduce wear. Because they hold shafts and housings concentric, closures are more effective. Lubricant stays in—dirt and moisture stay out. Lubrication and maintenance costs are reduced.

Specify Timken bearings for the pulp and paper machinery you build or buy. Look for the trade-mark "Timken" on every bearing. The Timken Roller Bearing Company, Cable address: "TIMROSCO-Canton, Ohio".

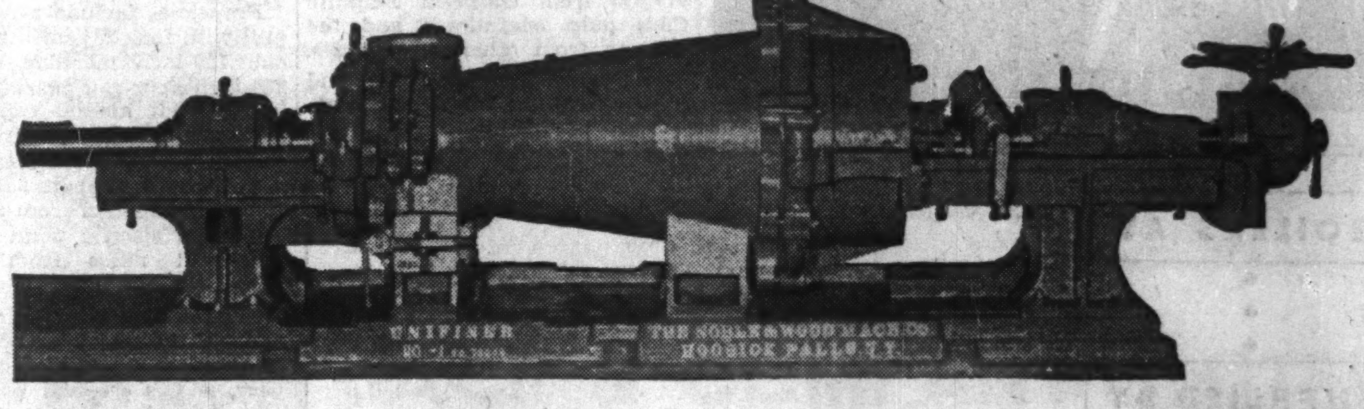
CANADIAN PLANT: St. Thomas, Ont.

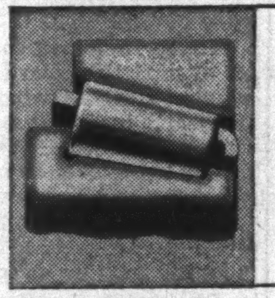
U. S. PLANTS: Canton, Columbus, Mt. Vernon, Wooster, and Zanesville, O.; Colorado Springs, Colo.

This symbol on a product means its bearings are the best.



Drawing is typical of the way NOBLE AND WOOD MACHINE CO. mounts the thrust end of its new No. 1 Unifiner plug shaft on Timken tapered roller bearings.



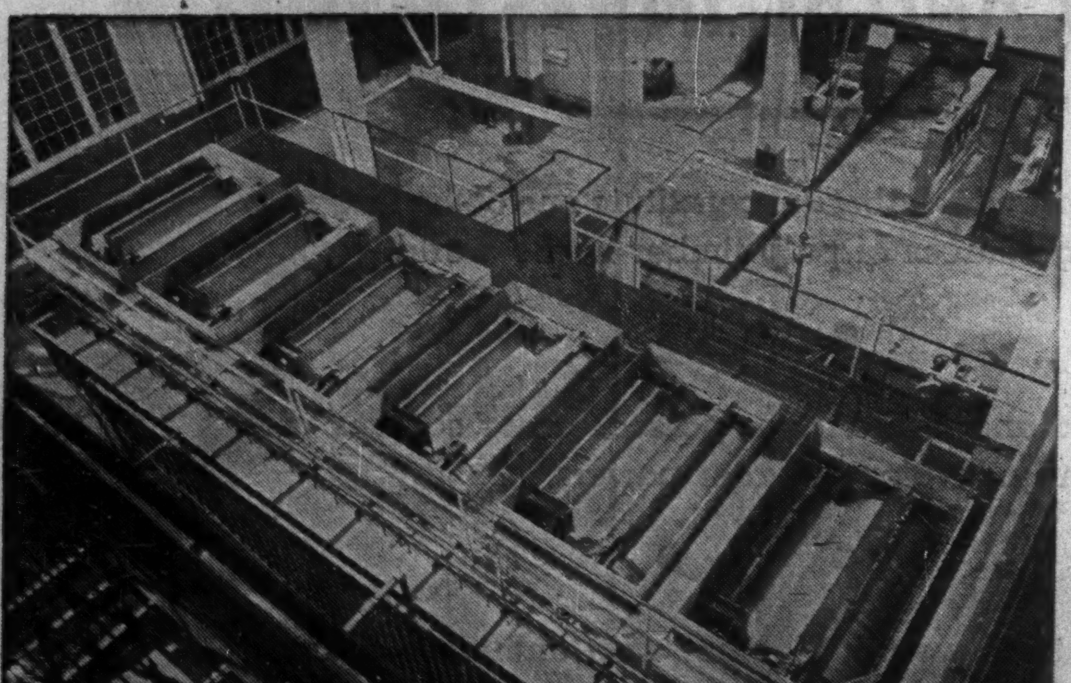


GREATER LOAD AREA
Because the load is carried on the *line* of contact between rollers and races, Timken bearings carry greater loads, hold shafts in line, wear longer.
The Timken Roller Bearing Company is the acknowledged leader in: 1. advanced design; 2. precision manufacturing; 3. rigid quality control; 4. special analysis steels.

TIMKEN
TRADE-MARK REG. U. S. PAT. OFF. AND IN CANADA
TAPERED ROLLER BEARINGS

NOT JUST A BALL ○ NOT JUST A ROLLER ▭ THE TIMKEN TAPERED ROLLER ⊂⊃ BEARING TAKES RADIAL ⦶ AND THRUST →⦶← LOADS OR ANY COMBINATION ✳

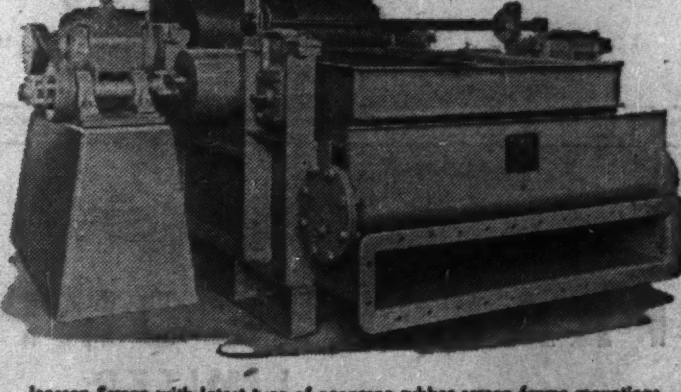
Serving the Pulp and Paper Industry



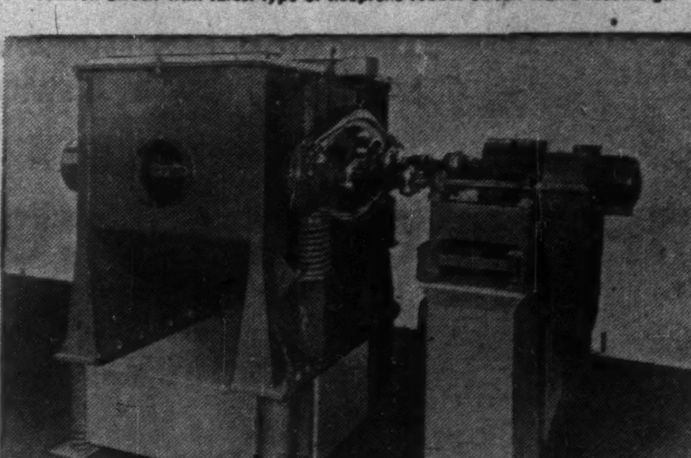
Six 3A-100 Bird Paper Screens in a Westcoast newsprint mill.

Three out of every *five* newspaper pages in the world are printed on Canadian newsprint, making the manufacture of pulp, paper and other cellulose products Canada's largest industry. Expansion and increased demands from foreign and domestic markets brought gross output in 1951 to well over a billion dollars; a record-high level of production which is being maintained in 1952.

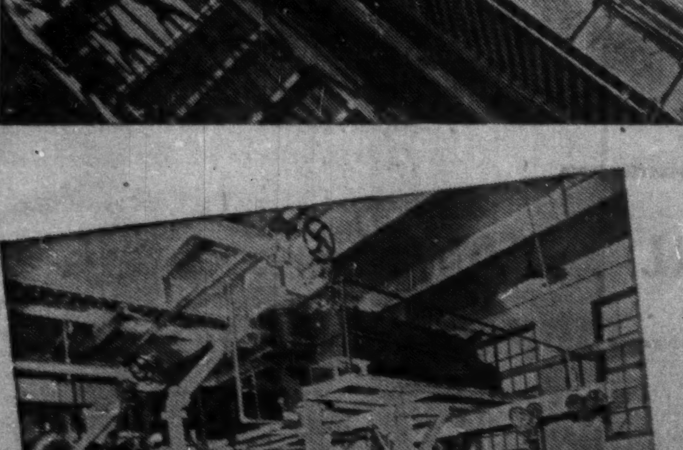
Canadian Ingersoll-Rand has been manufacturing machinery for the pulp and paper industry for over 50 years. Our Pulp and Paper Division, in keeping with the importance of this industry to Canada, has a staff of specialists in the field available to help mill operators solve their production problems.



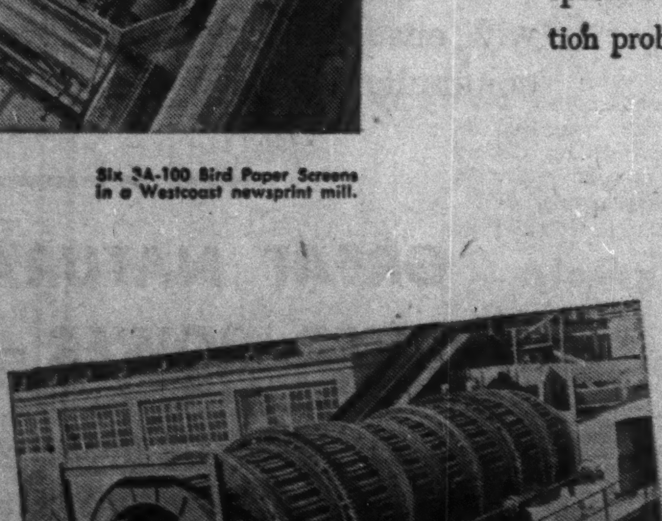
Jonsson Screen with latest type of neoprene rubber screen frame mountings.



Bird Vibrotor Screen, the latest in modern screening equipment.



An Installation of Haug Refiners and Drainers in a Quebec mill.



"Weldrum" Barker featuring welded fastening for lower maintenance costs.

BIRD SCREENS
JONSSON SCREENS
"WELDRUM" BARKERS
VICKERY DOCTORS
VICKERY FELT CONDITIONERS
DIRTECS
BIRD SAVE-ALLS
XVH COMPRESSORS AND VACUUM PUMPS
HAUG REFINERS
BIRD VIBROTOR SCREENS
HAUG KOLLERMILLS

BETTER PULP AND PAPER
MORE PER DAY
AT LESS COST
PER TON
CANADA

Canadian Ingersoll-Rand Company Limited

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LONGCRIMP
Niagara Wires
NIAGARA WIRE WEAVING COMPANY LIMITED

Here Are Newsprint Firms

(Continued from page 51)

dition the company owns several townsites and has its own shipping subsidiary, Montmorency Shipping Ltd.

Hydro-electric plants are operated on the Exploits River, both at Grand Falls and Bishops Falls, with a present installation of 75,000 hp and another 50,000 hp of undeveloped power available.

Timber areas total some 7,456 square miles, partly freehold and partly Crown lease.

Last year Anglo-Newfoundland made further good progress in its plant improvement program, started in 1945. Major items in a total expenditure of $3,545,994 were installation of another line of automatic grinders with the necessary hydraulic turbines and improvements to the wood handling system. At the year end $4,649,478 was earmarked to complete capital jobs then in progress or planned for the near future; this included items authorized under the company's long-term program and others necessitated by operating requirements and for replacement of worn-out and obsolete plant.

Consolidated net profit for 1951 at $8,227,382 showed a sharp 40.8% gain from $5,844,139 in 1950. It included $2,726,065 from newsprint and ancillary operations and from sundry investments other than subsidiaries; $3,424,099 from Terra Nova Properties Ltd.'s mining interests; $1,917,555 from Gaspesia Sulphite Co.'s pulp operations; and the balance from other subsidiaries.

Net profit from newsprint and pulp operations hit a new high. Newsprint production was up 31,000 tons from 1950.

Net profit of Anglo-Newfoundland may be down slightly this year, the company reported recently. Newsprint production was at 105% of rated capacity for the first seven months of 1952 and is expected to be at an estimated 97.33% of capacity for the balance of the year. Production of sulphite pulp has been at about 40% of capacity, while output of wrapper has been at capacity. Prices for unbleached sulphite were reduced by about $20 per ton, effective July 1, 1952. Net profit of Gaspesia Sulphite may be off 65-75% from last year.

Anglo-Newfoundland owns a 50% interest in Lignosol Chemicals Ltd., which opened its new $1.25 million plant in Quebec City last June. It processes waste sulphite liquor into various forms of lignosol.

Bowater's

Bowater's Newfoundland Pulp & Paper Mills Ltd. owns and operates a newsprint plant, sulphite plant, barking plant, and power development at and near Corner Brook, Newfoundland. Products are sold in the U. S., U. K. and the British Commonwealth through the subsidiary sales companies of Bowater Paper Corp. and its associates, who hold the entire outstanding common stock of the Newfoundland company.

Properties include a newsprint mill with four 234-inch machines, one 120-inch machine and one 284-inch four-roll machine, having a total annual capacity of 300,000 tons. A 150-inch sulphite pulp drying machine has an annual capacity of about 55,000 tons. Power is supplied from a 156,000 hp hydro electric plant at Deer Lake, 31 miles from Corner Brook.

The mill is situated on tidewater at the mouth of the Humber River, open eight months of the year, and is credited with being one of the lowest cost producers in North America.

Timber holdings cover an area of over 11,230 square miles, 2,240 square miles of which are freehold and the balance held under crown licenses. Total stand is estimated at over 20 million cords of pulpwood and, excluding the benefits of reforestation, is considered sufficient to supply mill requirements in perpetuity.

Production, in the year ended Sept. 30, 1951 increased "appreciably" from 1949-50. While increases in the price of newsprint were largely offset by higher costs and the smaller premium on U. S. exchange, the export sulphite pulp mill operated at capacity throughout the period. This, plus a better price for pulp, "contributed considerably to the higher earnings achieved." Net profit rose 36.7% to $4,069,829 ($2,977,710 in 1949-50).

Earlier this year, the company stated that virtually its entire production of newsprint, pulpwood and woodpulp had been fully sold for sometime to come, mainly under long-term contracts.

Bowater's Newfoundland is currently undertaking a $10 million project designed to increase pulp and paper capacity by 50,000 tons annually. Last February, it announced the awarding of contracts totaling $4 million for construction and mill improvements, representing part of the big program. It has also placed orders for two large ships, specially designed for carrying newsprint to replace units of its fleet lost during the war.

Consolidated

Consolidated Paper Corp. is one of Canada's largest producers of newsprint and pulp and paper products. Sawn lumber (white and red pine) is also produced. Kraft wrapping paper is sold under the name "Wayagamack Pure Kraft," kraft paper towels under the name "Copaco Kraft," and cardboard under the trade name "Laurentide Board."

Plastic and other materials now turned out by Consolidated as by-products include "copacite," made from pulp liquor formerly wasted, used by foundries. linoleum manufacturers, tanners and other industries; and "Copaco splicing film," used as a joining material by the paper and textile industries.

About half the company's pulp and paper products are exported to the U. S., while a considerable tonnage is sold in Canada and the balance distributed in Great Britain, Eire, South Africa, Australia, New Zealand, the West Indies, China and India. Other export destinations are Mexico, Argentine, Brazil, Uruquay, and Chile.

Paper mills are owned by the company at Shawinigan Falls, Grand'Mere, Port Alfred, Three Rivers and Cap de la Madeleine, Que. As at August, 1951, over-all annual productive capacity included 702,548 tons of newsprint, 49,280 tons of kraft paper, 24,024 tons of kraft pulp, 40,348 tons of sulphite pulp and 16,324 tons of board and wrapper. The Pembroke, Ont., sawmill has an annual capacity of 16 millions f.b.m. of lumber.

Consolidated controls 17,874 sq. miles of timber lands, including 17,600 sq. miles in Quebec and 274 sq. miles in Ontario. It owns outright 3,652 sq. miles of freehold timber lands, including the Island of Anticosti, holds under license 13,914 sq. miles of crown timber limits and has cutting rights on 308 sq. miles of other limits.

Continuing the large capital expenditures of recent years, Consolidated in 1951 spent $4,802,852 for replacements and improvements in the manufacturing and woodland divisions. Installation of bark disposal equipment at the Wayagamack Island mill was completed, while progress was made in the modernization of the electrical distribution system at the Laurentide Division. Construction of a new $500,000 plant to produce sulphur from pyrite ores was started; its output will be equal to about 25% of the company's total sulphur use. Delayed delivery of equipment held up completion of many of the projects planned for 1951 and unexpended approved appropriations at the year end totalled $2,957,022.

During 1951, tonnage sales volume of all products increased by about 7% to a new high. Dollar sales rose to $93,896,991 ($77,802,398 in 1950) and net profit was up 6.4% at $12,905,574 ($12,133,660).

Earnings have been off somewhat this year, net profit for six months ending June 30, totaling $5,417,072 against $5,926,087 in the same period of 1951. Commenting on these results, the company stated that while newsprint demand was continuing strong, worldwide demand for pulp had declined and price had weakened. This, it stated, might affect income.

Canadian International

Canadian International Paper Co., a wholly owned subsidiary of International Paper Co., manufactures newsprint and bleached and unbleached sulphite pulp. About 80% of its newsprint output is sold to U. S. publishers, with the balance going abroad, mainly to England, Australia and Latin America.

Bleached sulphite pulp is produced at three mills, which turn out special grades used in manufacturing rayon, cellulose film, plastic and allied products. Paper mills of the parent company and its subsidiaries in the northern U. S. use some of the bleached sulphite output. Of the outside sales all are made under contract, with about 70% going to the U. S.

Over-all annual capacity of the company and its various subsidiaries includes 821,096 tons of newsprint; 254,925 tons of bleached and unbleached sulphite pulp; 120 million sq. ft. of insulating building board; 31 million sq. ft. of hardwood panels; and 10 million paper bags.

Canadian International itself operates a mill at Trois Rivières, Que., producing newsprint and unbleached sulphite; one at Gatineau, Que., turning out newsprint, bleached and unbleached sulphite; and others at Kipawa, Que., and Hawkesbury, Ont., producing high-grade bleached sulphite.

Its various subsidiaries include: New Brunswick International Paper Co., producing newsprint at its Dalhousie, N.B., mill; International Fibre Board Ltd., turning out "Ten-Test" insulating building board at Gatineau, Que.; International Plywoods Ltd., producing hardwood panels at Gatineau; and Continental Paper Products Ltd., making paper bags, sacks and envelopes at its Ottawa, Ont., plant. In addition the company holds a 50% interest in Masonite Co. of Canada, which produces Masonite board at Gatineau.

At the Hawkesbury mill an extensive rebuilding program is under way. On completion this plant will produce a special grade of hardwood dissolving pulp not previously manufactured at the company's mills and its capacity will be slightly higher. Most of the hardwood needed will be purchased from farmers in the adjacent area.

Total newsprint capacity was boosted by 35,000 tons annually in 1951, while about 75 tons per day of the Kipawa sulphite mill's capacity was converted from viscose dissolving pulp to pulp for the manufacture of cellulose acetate. This latter diversification is expected to be helpful in meeting needs of customers.

Output of Canadian International and its subsidiaries last year included 801,256 tons of newsprint (774,484 in 1950), 261,239 tons (238,620) of dissolving and other sulphite pulps, 46,459

(Continued on page 55)

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and

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Quebec North Shore Paper Company
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TO AVAIL OF THEM

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DEPARTMENT OF ECONOMIC DEVELOPMENT
PROVINCE OF NEWFOUNDLAND
ST. JOHN'S

The Big Growth in View for Wood Pulp

Canada Inheriting More and More of World Needs

After a spectacular increase in the volume of wood pulp exported last year, which placed Canada in the top spot in international trade in wood pulp, sales to other countries have dropped off this year.

But the volume is still large, and last year's showing indicated Canada's growing importance in the world pulp picture. In recent years it has been exporting approximately as much as Sweden (the traditional leader), regularly, and in 1951, Canadian pulp exports reached 2¼ million tons, compared with 2 million shipped to foreign markets by the Swedish producers.

Exports are only part of the Canadian pulp picture, of course. Of 9.1 million tons of wood pulp produced in Canada last year, 75% was consumed in this country for the manufacture of paper and paper products and to a lesser extent, of such things as acetate, rayon, Cellophane and plastics. And, of course, a large part of the finished products is in turn exported.

But the sales of market pulp outside our borders are regarded as indicative of a trend which should make Canada's pulp and paper industry a bigger and better source of supply for the rest of the world.

This is based on the expectation that our forest resources are still far from full utilization, that pulp production can be doubled or even trebled without cutting into the supplies available for future generations, if we protect and cultivate our woodlands with care. It's based also on the belief that many other important sources of wood in the world, particularly in Europe, cannot be called on to produce much more without risking depletion.

Lower Tariffs Ahead

Industry officials predict that not only will world demand for pulp from Canada increase, but that as time goes on, tariff barriers will bow before economics and Canadian mills will be able to sell an increasing proportion of their pulp production as finished paper and paper products.

How big this international business in pulp has grown is seen in the $365 millions received from pulp exports last year—the third largest dollar volume among all Canadian export commodities. Wheat and flour were first at $551 millions, with newsprint second at $540 millions (including $4 millions mutilated newsprint).

Behind pulp came such exports as planks and boards ($312 millions), non-monetary gold ($150 millions), nickel and products ($137 millions), aluminum and products ($125 millions), farm implements ($106 millions).

Despite the drop in business this year, dollar volume of pulp exports in the first six months was $171 millions. Prices for market pulp in the second half are down 10%-30%, depending on the grade, and the physical volume has been off about 25% in the last three or four months, so exports in the last half will probably bring in a considerably smaller sum than they did in the first six months of this year.

The U. S. Market

Biggest drop in business has been with the United States, Canada's largest market for pulp, which last year received 1,831,000 of the 2,243,000 tons exported. The other export markets have taken more.

For instance, first half U. S. imports of Canadian pulp compared with total Canadian pulp exports to all countries in the six-month period stack up approximately as follows (percentage change for exports to all countries is shown in brackets): unbleached sulphite, down 30% (10%); bleached sulphite, down 15% (no change); unbleached kraft, down 30% (30%); bleached kraft, up 1% (7%); groundwood, down 30% (25%).

Consumption of some grades of pulp for further processing in Canada has also dropped, but not to the same extent as exports. And in some cases, consumption is actually up.

Total pulp used in Canada in the first seven months was slightly higher than in the same 1951 period at 4,003,639 tons (3,977,937), due almost entirely to an increase in consumption of groundwood (2,837,532 tons vs. 2,794,847) and of unbleached sulphite (676,114 vs. 648,716), the two pulps used for making newsprint. Newsprint production, which accounts for more than half Canada's total pulp and paper production, has continued to exceed 1951 levels.

Because of the drop in exports, however, production of all grades in the first seven months was down slightly at 5,187,526 tons (5,280,611). That's still a very respectable volume of production by any standards. The production for the whole year in 1945, for instance, was just 5.6 million tons. And it's higher than production in any full year prior to 1940.

The Outlook

There are some indications that a pick-up in demand may materialize toward the end of this year. For instance, the paperboard industry in the United States, a market for some of our pulp exports, was operating in August at the highest percentage of capacity since last October. This was to some extent a result of the drop in production in the July holiday period, but also it was due in part to an increase in orders. The end of July order backlog in paper was the peak for the year, although down from a year ago.

U. S. market wood pulp inventories at the end of June, 1952, were at their highest level since May, 1949, when the demand for paper was at its lowest ebb since the end of the war. But industry observers point out that because of the increased rate of consumption since that period, the tonnage on hand now doesn't necessarily mean that inventories are high. If there is a pick-up to the 1951 rate of consumption, the inventories might even be less than adequate.

Production of paper and board in the U. S. for the first seven months this year was at the annual rate of 24 million tons. That's less than 1951's record 26.1 million tons, but almost equal to the 24.2 million ton rate achieved in the previous record year, 1950. On the other hand, paper production has been slipping in the U. S., and was running 10%-15% below capacity in August.

An encouraging feature of the past few months, so far as Canadian pulp producers are concerned, is seen in the apparent U. S. preference for Canadian pulps among imported supplies.

For although Canadian sales in the U. S. are down, they have declined far less than those of their main competitors, the Scandinavian countries. Even though Scandinavian pulp has been offered recently in the U. S. at prices reported below those quoted by Canadian mills, it's understood that in most cases U. S. consumers have stuck with their Canadian suppliers.

Where U. S. Is Buying

In the period during which the Northern European mills were still charging much higher prices than the North American producers, the trend was certainly in favor of Canadian mills.

Here's a comparison of U. S. imports in the first six months of 1952, from Canada and from other countries (mainly Scandinavia).

From:	June 1952	June 1951	% Change	Six Months 1952	Six Months 1951	% Change
		Unbleached Sulphite				
Canada	23,710	41,229	—42.5	178,163	225,253	—21.8
Other	3,847	17,822	—78.4	35,604	76,112	—53.2
		Bleached Sulphite				
Canada	29,647	39,367	—24.7	209,963	245,644	—14.5
Other	2,971	10,267	—71.1	24,443	58,252	—58.0
		Unbleached Kraft				
Canada	8,503	15,366	—44.7	65,120	94,887	—31.4
Other	2,990	21,317	—86.0	23,246	103,245	—77.5
		Bleached Kraft				
Canada	35,332	40,148	—12.0	228,647	224,758	+1.7
Other	3,856	13,813	—72.1	30,268	41,218	—26.6
		Groundwood				
Canada	18,895	24,431	—22.7	107,393	150,627	—28.7
Other	1,651	5,800	—71.5	2,819	26,048	—89.2

In each instance Canadian sales have been hit less percentagewise than those of other countries. In some cases the total imports from other countries exceeded those from Canada last year. But this year, Canadian sales have exceeded those of all other countries combined for each grade.

This is regarded as a reflection of more conservative pricing by Canadian producers. The Canadian mills are hoping the policy will pay off when future orders are placed.

Long Term Contracts

Increased sales of Canadian pulp in markets abroad are also attributed to some extent to the willingness of Canadian mills to accept a somewhat lower price in return for longer term contracts. The industry here has been trying to convince some formerly in-and-out customers abroad that the best way to assure themselves of supplies is to buy on a long term basis.

Abitibi

Abitibi Power & Paper Co. directly and through subsidiaries manufactures newsprint, sulphite pulp, printing and fine papers and paperboard. Mills producing these items are at Iroquois Falls, Sault Ste. Marie, Fort William, Port Arthur, Smooth Rock Falls, Ont.; Pine Falls, Man.; and Beaupré, Que.

Production of bleached sulphite pulp in 1951 totaled 57,345 tons (48,960 in 1950). Production of unbleached sulphite pulp was 32,564 (5,286) tons.

The company is now the owner of 50% of the issued and outstanding common stock of Alaska Pine & Cellulose Ltd. (formerly British Columbia Pulp & Paper Co.) which operates two dissolving pulp mills on the Pacific coast with a capacity of 135,000-140,000 tons of chemical pulp a year in addition to its lumbering activities. (See article below.)

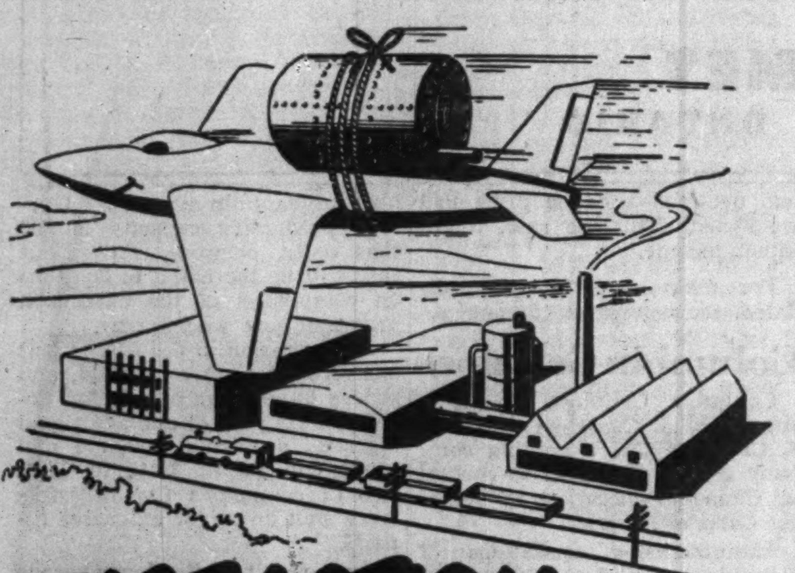
For main report on company see page 51.

Alaska Pine

Alaska Pine & Cellulose Ltd., at its two mills at Woodfibre (Howe Sound, B.C.) and Port Alice, B.C., produces high alpha dissolving and bleached sulphite pulps of which approximately 90% is used in the manufacture of rayon and staple fibre and the balance in fine papermaking. The company's pulp production is sold largely to leading users in the U. S. and Canada. Through a subsidiary, Alaska Pine Co., and associated companies, the company operates a lumbering business in British Columbia, producing lumber, shingles and box shooks, sold in Canada and abroad.

Control of the company is now jointly held by Abitibi Power & Paper Co. and the Koerner interests of Vancouver, B.C., each owning 50% of the outstanding common stock of the company. Abitibi President D. W. Ambridge

(Continued on page 54)



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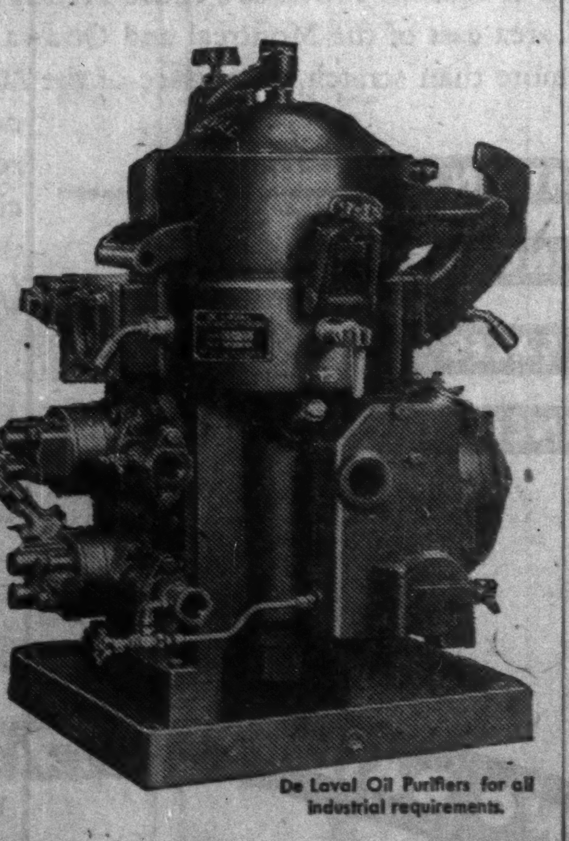

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Every time there is a forest fire we lose part of this valuable raw material which has become indispensable to the Canadian economy. The part played by Watson Jack & Company Limited through such well-known products as WAJAX Pumps, WAJAX Linen Hose and other WAJAX Fire Fighting accessories is difficult to assess; but the wide use of these proven aids against tragic forest fires is in itself ample proof that WAJAX has and is still doing a mighty big job in preserving one of our greatest natural resources.

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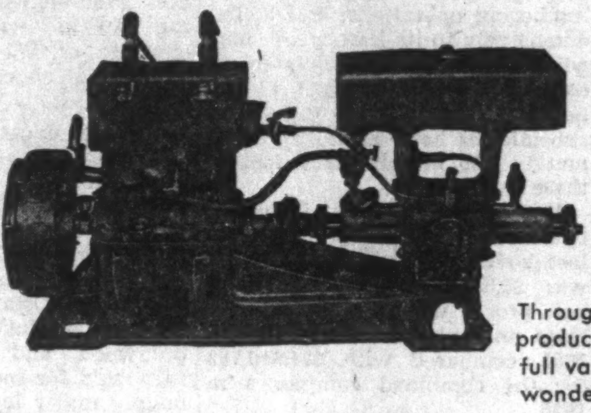

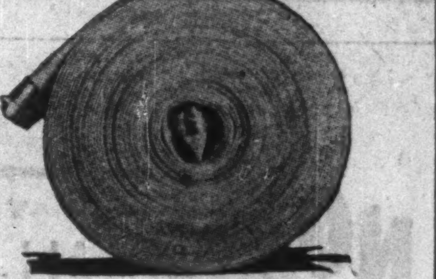

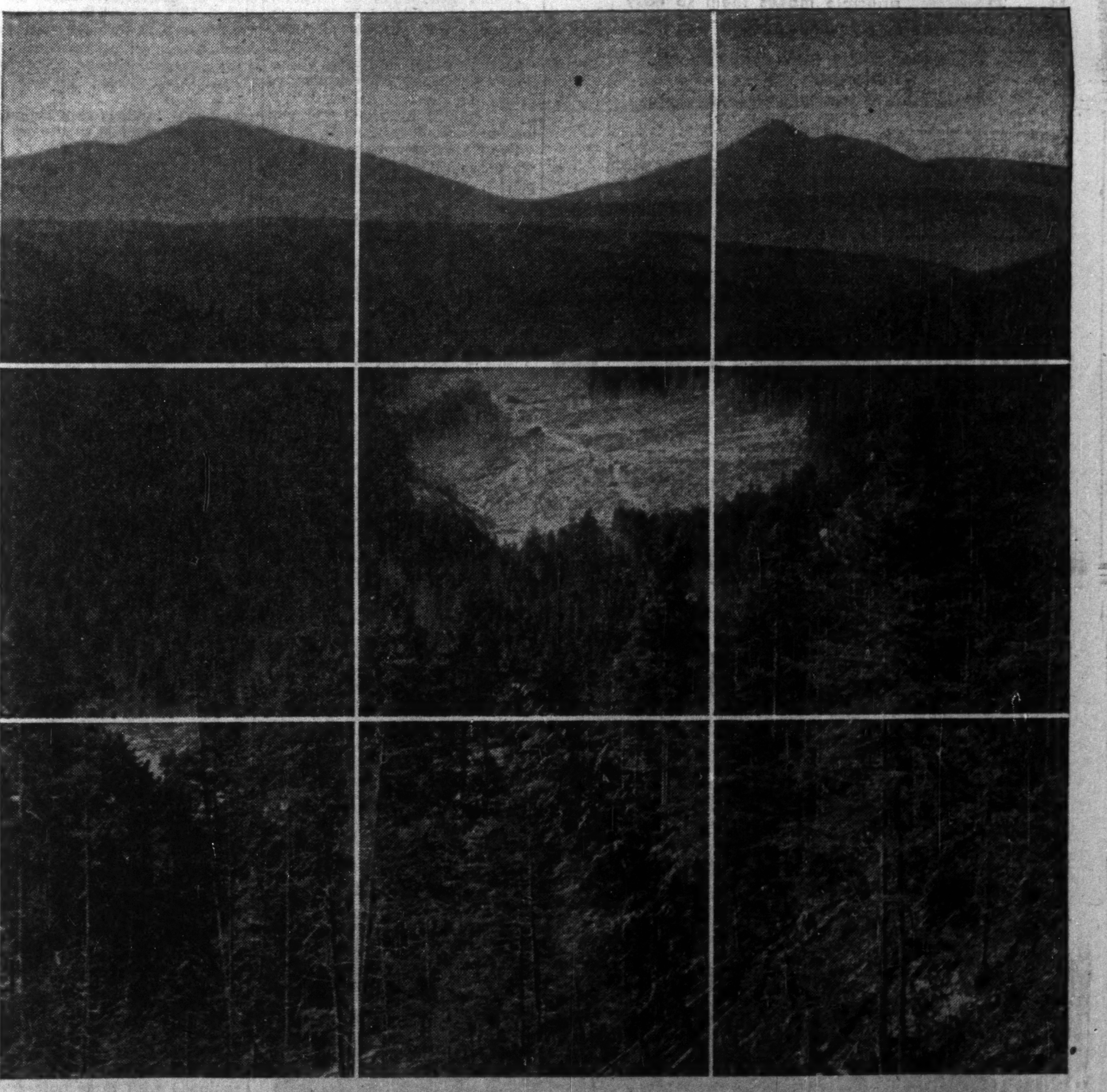

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Equally important is the forest land itself, capable of growing millions of new trees for future production.

Alaska Pine & Cellulose Ltd. is dedicated to a policy of maximum utilization of standing timber, selective logging and intelligent renewal so that B.C.'s forests will continue to play their vital role in Canada's economy.

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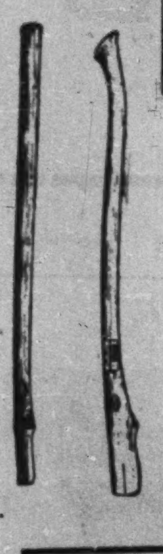

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THE CAPITAL WIRE CLOTH & MFG CO. LTD.
OTTAWA, CANADA

The Growing World Need For Canadian Wood Pulp

(Continued from page 53)

stated in March, 1952, that his company's equity, shown on the balance sheet at acquisition cost of $9 millions, has increased since date of acquisition by $1,677,631 as a result of earnings, less dividends.

Change of name from British Columbia Pulp & Paper Co. was effected by supplementary letters patent dated April 25, 1951.

Acquisition during 1951 of Alaska Pine Co. and associated companies brought Alaska Pine & Cellulose Ltd. into large-scale lumbering operations, and added extensively to its timber holdings which alone were estimated to contain more than eight billion board feet. The newly purchased subsidiaries have added approximately 3.36 billion board feet to these assets.

Net profit in 1951, including operations of subsidiaries for the last seven months of the year, was $5,384,732; previous year's net profit was $5,913,444. Net sales amounted to $40,221,492 in 1951, compared with $34,920,753 for the combined companies in 1950.

Earnings and dividends paid in 1951 on preferred stock were $326.35 and $5 per share respectively, and on common $53.02 and $39.25.

Total assets at year's end were $65,918,171 ($58,941,286 at Dec. 31, 1950). Working capital was $7,691,182 ($5,879,918), and inventories $10,163,304 ($6,976,878).

Currently, the scarcity of U. S. dollars in the company's foreign markets is making it difficult to sell goods in South America, the Far East and Europe, the president told shareholders last month.

Capitalization outstanding at Dec. 31, 1951, consisted of $1,000,000 3½% serial bonds due May 1, 1953-54; $12,607,000 4½% sinking fund bonds due May 1, 1966; 1,650,000 5% cumulative preferred shares, par $100; and 100,000 n.p.v. common shares.

Anglo-Canadian

Anglo-Canadian Pulp & Paper Mills Ltd. produces a substantial amount of unbleached sulphite pulp for sale at its Quebec City mill, in addition to its newsprint and paperboard output. Annual capacity has now been raised to 75,000 tons of unbleached sulphite.

Actual production of sulphite pulp in 1951 totaled 39,681 tons compared with 21,000 in 1950. This year, the company reported recently, production has been running at about 75% of capacity. Prices for unbleached sulphite were reduced by about $20 per ton, effective July 1, 1952.

For main Anglo-Canadian coverage see under newsprint companies.

Bathurst

Bathurst Power & Paper Co. produces unbleached sulphite pulp for sale at its Bathurst, N.B., paper board plant. Production of unbleached sulphite, baled for sale, totaled 29,168 tons in 1951, up sharply from 17,923 tons in 1950 and 14,817 tons in 1949. Pulp prices, which had been "seriously depressed," were restored to more normal levels in the North American market, the company noted.

Demand for pulp has been lower this year and recently, commenting on a net profit for the first six months of 1952 which was off somewhat from the comparable 1951 period, Bathurst reported that this situation, with prices down substantially, would probably continue throughout the last half of 1952.

For main Bathurst coverage, see under specialty paper companies.

Bowater's

Bowater's Newfoundland Pulp & Paper Mills Ltd. produces a substantial amount of sulphite pulp for sale.

At its Corner Brook, Newfoundland newsprint mill, it operates a 150-inch sulphite pulp drying machine with a total daily capacity of 175 tons or annual capacity of about 55,000 tons.

In the year ended Sept. 30, 1951, the export sulphite pulp mill operated at capacity. This, plus a better price for pulp, contributed considerably to the higher earnings shown by Bowater's for the year. In its annual report issued last January, the company stated that virtually its entire production of newsprint, pulpwood and woodpulp was fully sold for some time to come, mainly under long-term contract.

For main report on company, see newsprint companies.

Brown Corp.

Brown Corp., a wholly-owned subsidiary of Brown Co. of Berlin, New Hampshire, is Canada's largest producer of sulphate pulps. Its La Tuque, Que., mill, on the St. Maurice River, has an annual productive capacity of about 150,000 tons of bleached, semi-bleached and unbleached sulphate pulp. It also produces 1,000,000 feet of spiral-wound paper cores a year and 130 gallons of turpentine a day.

Timber limits are sufficient to provide a perpetual supply of pulpwood for the La Tuque plant at its present capacity. They include 848,083 acres of freehold timber land and 1,693,687 acres under license from the Province of Quebec.

Brown Corp. owns 50% of the common stock of St. Maurice Power Corp., which owns a 222,500 hp hydro electric power plant at La Tuque. Balance is held by Shawinigan Water & Power Co.

Operating results of Brown Corp. are consolidated with those of the parent company. For the year ended Nov. 30, 1951, net sales at $72,729,617 were up a sharp 37% from the previous year, due both to higher tonnage produced in all divisions and to an increase in average prices. Net profit at $7,430,040 showed an 84.7% gain from $4,021,940 and was equal to $3.17 per common share, against $1.58 in the previous year.

In the current fiscal year, sales have leveled off a little, totaling $37,290,978 for the 28 weeks ended June 14, compared with $38,035,530 in the same period a year ago. Net income was down 22.4% at $3,107,414 ($4,001,122).

Capital expenditures by the Canadian subsidiary last year totaled $2,388,431, main items of modernization including installation of a new barking drum, new sorting equipment and conveyors, and the addition of a steam generating boiler, two new digesters, and a new recovery furnace, boiler and electrical precipitator.

Last year, a recapitalization plan eliminating the arrears on the parent company's $6 preferred stock was completed. Some 36,249 shares of the new second preferred stock, equal to 25% of the total issue, were purchased for $1,785,844 for the account of the sinking fund due April 1, 1952.

Canadian International

Canadian International Paper Co. produces large amounts of sulphite pulp for sale. Last year its various mills produced 261,239 tons of dissolving and other sulphite pulps, against 238,620 tons in 1950.

The Kipawa sulphite mill, at Temiskaming, Que., has three pulp-drying machines with a total daily capacity of about 367 tons of high-grade bleached sulphite pulp (113,400 tons annually on a 309-day basis). Last year, about 75 tons per day of its capacity was converted from viscose dissolving pulp to pulp for production of cellulose acetate and this diversification is expected to be helpful in meeting the needs of customers.

The Hawkesbury sulphite mill, at Hawkesbury, Ont., is also equipped with three pulp-drying machines, with a daily capacity of around 194 tons of high-grade bleached sulphite (60,000 tons on a 309-day basis). When required, production can be shifted to paper grades, with a capacity of about 234 tons daily. An extensive rebuilding program is under way at Hawkesbury; on completion, the plant will produce a special grade of hardwood dissolving pulp not previously made at the company's plants, and its capacity will be slightly higher. Most of the hardwood needed will be purchased from farmers in the adjacent area.

At the Gatineau newsprint mill, about five miles below Ottawa on the Ottawa River, the company has capacity for producing about 200 tons daily of bleached sulphite pulp (61,800 tons on a 309-day basis).

Some bleached sulphite is used by paper mills of the parent company, International Paper Co., in the Northern U. S. Of the outside sales, all are made under contract with about 70% going to the U. S.

For main Canadian International coverage, see under newsprint companies.

Consolidated

Consolidated Paper Corp. produces, beside newsprint, kraft paper and other products, a substantial amount of kraft and sulphite pulp for sale, over and above the needs of its own paper machines.

As of August 1951, annual capacity for producing pulp for sale totaled 24,024 tons of kraft and 40,348 tons of sulphite. The surplus kraft capacity, 78 tons daily, is located at the company's Wayagamack Division. The Laurentide Division at Grand'Mere, Que., can produce 62 tons of sulphite pulp, the Port Alfred Division at Port Alfred, Que., 69 tons of sulphite pulp, daily for sale,

At the company's annual meeting earlier this year, President G. M. Hobart noted that markets for pulp and paper products other than newsprint were less buoyant and felt that pulp sales would be down this year from 1951. More recently, reporting an 8.6% drop in net profit for the first half of this year compared with the same period of 1951, he stated that worldwide demand for pulp had declined and the price had weakened. This, he said, might affect income.

For main report on Consolidated, see newsprint companies.

Columbia Cellulose

Columbia Cellulose Co. is a subsidiary of Canadian Chemical & Cellulose Co., a holding company formed this year to control all Canadian operations of Celanese Corp. of America.

Manufacturing operations of Columbia Cellulose began in April, 1951, at a new $27 million mill on Watson Island, just south of Prince Rupert, B.C. The mill's initial capacity was 70,000 tons of high alpha pulp annually. Current productive capacity is 200 tons daily, company states, but this will be increased to 300 tons on completion of the expansion program now under way.

An extension to the filter plant has already been completed, and orders have been placed for delivery next year of one additional digester, a drying machine and other equipment. Late in 1951, two of company's five digesters were shut down for extensive repairs.

As a result of the low average rate of production and non-recurring costs incident to the commencement of operations, Colum-

(Continued on page 57)

WELLAND ELECTRIC STEEL FOUNDRY LTD.
Pioneer Founders of Stainless Steel in Canada

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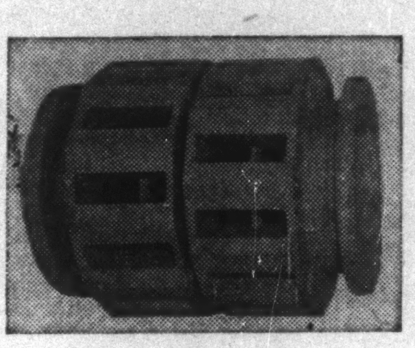
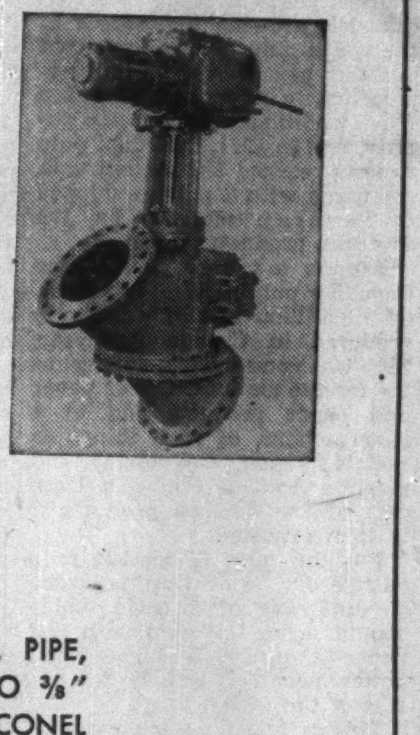
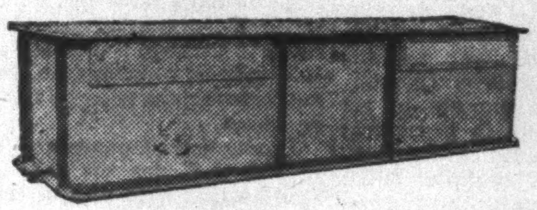


2150 lb. Welmet Stainless Steel Casting for pulp and paper machinery manufacturer.



Electrically operated 14" Welmet Stainless Steel Digester Blow Valve for west coast paper mill.



Fabricated Stainless Steel Tank for pulp and paper mill.

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POPULATION 1,639,456 French-speaking prospects
BUYING INCOME $1,123,500,000
RETAIL SALES $606,800,000
FAMILY INCOME $3,200

ZONE TWO DAILIES
LE SOLEIL
(L'ÉVÉNEMENT-JOURNAL)
QUÉBEC CITY
115,525*
Le Nouvelliste
TROIS-RIVIÈRES
25,778*
LA TRIBUNE
SHERBROOKE
22,667*

*Total Net Paid Circulation
A.B.C. 2nd Quarter 1952
163,970

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What the Newsprint Firms Are Doing

(Continued from page 52)

tons (39,961) of insulation board and 15,796 tons (13,313) of plywood.

Financial statistics are consolidated with those of International Paper Co. The latter reported a consolidated net profit of $56,819,172 for 1951, down 14.7% from $66,674,151 in 1950 despite record sales. Earnings before taxes were substantially higher than the previous year.

For the six months ended June 30, 1952, consolidated net sales totaled $316.5 millions, against $313.6 millions in the comparable 1951 period. Net profit dropped to $24,369,677 ($31,572,776). President J. H. Hinman commented in June that income of Canadian International had dropped substantially due to a reduction in the number of Canadian dollars received from sales of newsprint and dissolving pulp, most of which goes to the U. S.

Donnacona

Donnacona Paper Co., produces newsprint, sulphite pulp and insulating board for sale. Some 90% of its newsprint output and about 55% of its sulphite pulp available for sale is marketed in the U. S., while sale of insulating board products is worldwide.

Annual saleable capacity of its mills at Donnacona, Que., is 105,000 tons of newsprint, 35,000 tons of sulphite pulp and 100 million square feet of insulating board.

Directly or through its subsidiary, The D. P. Power Co., the company owns water powers on the Jacques Cartier River at its junction with the St. Lawrence, with a present development of 12,000 hp and an ultimate capacity of about 46,000 hp. Balance of the mill's power requirements is purchased under an agreement with Shawinigan Water & Power Co.

Donnacona owns in fee or leases timberlands adjacent to the St. Lawrence comprising practically all the stand in the watersheds of the Jacques Cartier, Sault au Mouton and Bersimis Rivers. Totaling about 1,800 square miles this contains an estimated 11.9 million cords of pulpwood. Of the total held under lease or freehold, 752 square miles is the company's share of the Bersimis timberlands purchased by Donnacona and Anglo-Canadian Pulp & Paper Mills from Brown Corp. in 1947.

Donnacona's five wholly owned subsidiaries include: Quebec Paper Sales & Transportation Co., operating 10 diesel motor vessels for carrying newsprint and pulpwood; Donnacona Sales Corp., marketing and distributing products; Donnacona Improvement Co., owning part of the townsite of Donnacona; Cartier Warehouse Co., warehousing products; and the previously mentioned D. P. Power Co.

Production in 1951 showed another gain, rising to 170,688 tons from 155,804 in 1950. Net sales hit a new high at $18,383,769 ($14,819,385) but income taxes rose sharply and net profit was off 2.59% at $1,644,965 ($1,688,858). Demand for all the company's products remained strong, it was stated, with the exception of domestic demand for insulating board which slackened off during the final quarter.

Estimated consolidated net profit for the first six months of 1952 totaled $484,295, off 49.2% from $953,157 in the comparable 1951 period.

Donnacona's modernization program is making satisfactory progress, despite difficulties of procuring materials, the company reported, and capital expenditure in 1951 totaled $1,529,360. During the year, construction and installation of an iron pyrites burning plant was authorized to supply sulphur requirements.

In 1948-49, Howard Smith Paper Mills Ltd. acquired a controlling interest in Donnacona Paper Co. Since then, it has increased its holdings of Donnacona common shares and at the end of 1951 held 247,592, or 65% of the 376,572 outstanding. Purchase price of these was $5,519,198. Last month, Howard Smith Paper Mills offered 1¼ shares of its common stock for each Donnacona common share. The offer, expiring Nov. 28, is not open to U. S. residents.

Donohue Bros.

Donohue Bros. Ltd. owns and operates a pulp and paper mill at Clermont, Que. Newsprint output is sold entirely to Scripps-Howard Supply Co. and the Hearst interests, under a 10-year contract dating from Jan. 1, 1947. Mechanical groundwood pulp is also manufactured and sold under a long-term contract.

Newsprint capacity, prior to launching of a $1.6 million capital expenditure program last year, was 60,000 tons annually. The new program, to be completed by 1953, provides for replacements and improvements to increase newsprint capacity to 70,000 tons a year and effect further operating economies. Part of the surplus mechanical pulp will be converted into newsprint paper.

During 1951, capital expenditures on this program totaled $450,000 and, it was stated in the annual report, an estimated $1,476,300 will be needed to cover the cost of authorized improvements.

Production of newsprint in last year totaled 63,210 tons, up from 59,739 tons in 1950, while output of pulp was also higher at 16,402 tons (11,807). Consolidated net profit showed a 9.6% gain at $905,286 ($825,805) and was equal to $3.02 ($2.75) per new common share.

(The stock was split on a two-for-one basis in December 1951.)

Earnings are off somewhat this year, estimated consolidated net profit for the six months ending June 30 totaling $296,533 against $428,160 in the same period of 1951. These were equal to 99c and $1.43 per common share, respectively. The drop, the company stated, is due mainly to increased costs, decline in demand for groundwood pulp and the change in the value of U. S. currency when converted into Canadian dollars.

Earlier this year the company sold a new issue of $3.5 millions 4½%-5% first mortgage bonds. Proceeds were to be applied, first, to refund outstanding long term indebtedness of about $1,157,000 Canadian funds and $600,000 U. S. funds; second, $1,125,000 for cutting rights on 137 square miles of Crown land; third, $400,000 for additional timber limits to be held under license from the Province of Quebec; fourth, the balance for future capital expenditures in addition to expenditures on the current modernization and expansion program.

During the last session of the Provincial Legislature, a previously authorized grant of 160 square miles of timber limits was increased to 400 square miles. This latest grant, once it is located on vacant Crown land, will mean a total of 810 square miles of Crown lease timber limits held by the company. In addition, it has acquired cutting rights on 137 square miles of Crown lands in the Murray Bay River watershed.

Elk Falls

Elk Falls Co. was incorporated on Sept. 8, 1950, to manufacture pulp and paper in a new mill at Duncan Bay, Vancouver Island. Canadian Wastern Lumber Co. and Pacific Mills Ltd. each acquired 50% of the Class B voting shares of the new company for $3 millions. The new company purchased all the share capital of Canadian Western Timber Co., formerly a wholly owned subsidiary of Canadian Western Lumber Co., thus acquiring forest management license No. 2.

A second new newsprint mill at Duncan Bay, costing in excess of $21.5 millions, went into production on June 10, six months ahead of schedule. Present annual capacity is 75,000 tons, but the designed ultimate capacity of 100,000 tons should be reached "in the near future," J. D. Zellerbach, president of Crown Zellerbach Corp., told his company's shareholders last month. The newsprint machine has a wire width of 284 inches, designed to operate at 2,000 feet per minute. Sulphite stock is brought from Ocean Falls in roll form and repulped.

Elk Falls Co. is to sell Crown Zellerbach Corp., parent company of Pacific Mills Ltd., a minimum of 60,000 tons of newsprint per annum for a minimum of 10 years. Crown will then sell it in the U. S. at its announced prices, paying Elk Falls Co. 97% of the average net realization per ton (gross selling price less freight and delivery expense) of Crown's total sales in the U. S. of newsprint manufactured in its own mills and newsprint purchased from Elk Falls Co. and Pacific Mills Ltd. Three percent discount is retained for selling the newsprint and assuming credit risks.

Company announced last December that it was seriously considering plans for construction of a sulphate pulp mill "in order to derive the maximum economic benefits and end use of all wood available to the Elk Falls Co." Size of the projected mill or capital investment involved were not indicated.

Capitalization outstanding upon completion of financing in November, 1950, consisted of $2.5 millions in 3% serial Series A first mortgage bonds, due 1954-58; $1.5 millions in 3½% serial first mortgage bonds, due 1959-61; $6.5 millions in 4½% sinking fund bonds due 1970; $3 millions in 5% general mortgage bonds, due 1975; 200,000 Class A non-voting n.p.v. shares; and 600,000 Class B voting shares.

Great Lakes

Great Lakes Paper Co. manufactures newsprint and unbleached sulphite pulp at its plant on the Kaministiquia River near Fort William, Ont. Daily rated capacity of its two newsprint machines is 385 tons.

Under an agreement dated March 14, 1950, the company obtained a 21-year lease, with provision for renewal for a further 21 years, of Ontario timber areas considered adequate for the future operation of the mill. Timberlands held under lease and by freehold title cover over 3,500 square miles in Ontario and contain an estimated 13.5 million cords of pulpwood, of which over 11 million are suitable.

Production of newsprint in 1951 totaled 146,369 tons (140,873 in 1950), while woodpulp shipments rose to 70,106 tons (49,496 tons).

Capital expenditures in 1951 amounted to $2,358,138, including $450,000 investment in Northern Wood Preservers Ltd., Port Arthur. Control of Northern Wood Preservers was acquired in an effort to accomplish a maximum utilization of timber resources. This company carries on a substantial business in production and creosoting of lumber poles, railway ties, etc.

Net profit of $4,734,494 in 1951 represents an increase of 67% from the 1950 net of $2,770,871. Both volume and dollar value of sales reached their highest point in company's history. Net sales were $26,237,900 ($18,986,615 in 1950).

Earnings on Class A & B stock were $27.99 per share ($14.96). Dividends paid in each year were $2.50 on Class A and $1.20 on Class B. In 1950, old common stock earned $6.07 per share and dividends of $1.70 were paid, while in 1951 the new common stock, following a three-for-one split, earned $3.68 per share and paid dividends of $1.60.

Net profit for the first quarter of 1952 was $848,793, down 5.7% from the corresponding 1951 net of $900,091, revised to apply 1951 year-end adjustment. The three months net is equivalent to earnings of $5.02 a share on the combined class A and B shares, and of 60c on common shares, as compared with $4.86 and 65c respectively for the first quarter of 1951.

Capitalization outstanding at Dec. 31, 1951, consisted of $3,350,000 3½% first mortgage sinking fund bonds due 1966; $1,483,000 3½% first mortgage sinking fund bonds due 1967; $382,000 4% debentures, 85,243 n.p.v. Class A $2.50 cumulative preferred shares; 100,000 n.p.v. Class B $1.20 cumulative preferred shares; 1,200,000 n.p.v. common shares.

Lake St. John

All operations of Lake St. John Power & Paper Co. were taken over by its parent company, St. Lawrence Corp. (which see) earlier this year. St. Lawrence Corp., formerly a holding company, became an operating company and its three subsidiaries are being wound up.

The company's 3½% first mortgage bonds and 5% mortgage debentures were redeemed last April and July, respectively.

Jas. Maclaren

James Maclaren Co., a wholly owned subsidiary of Maclaren Power & Paper Co., is a newsprint and lumber producer. It owns a newsprint mill and a new groundwood mill at Masson, Que., and a groundwood mill at Buckingham, Que.

The new groundwood mill went into production last April and now has six magazine grinders in operation. Ultimate capacity is 12 magazine grinders and, when these are installed, the company will be able to discontinue use of its 3½-mile wood stave pipe line which brings groundwood from the Buckingham mill to the Masson paper mill.

In 1951, newsprint production totaled 116,275 tons, against 110,760 tons in 1950. Consolidated net profit amounted to $2,293,451 compared with $2,466,151 the previous year.

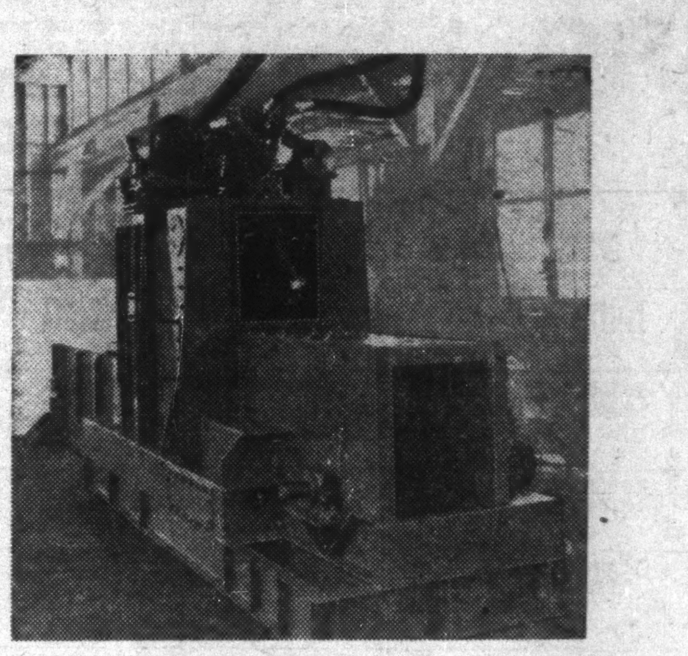
Currently, the company reports, demand for newsprint continues strong and paper machines are operating at full capacity.

Timber limits of the company comprise 2,600 sq. miles held under Crown lease on Lievre River watershed. It's estimated that these contain over six million cords of wood, sufficient to supply mill requirements for at least 50 years.

Power for the mills is supplied

(Continued on page 60)

SUMNER WOODROOM MACHINERY



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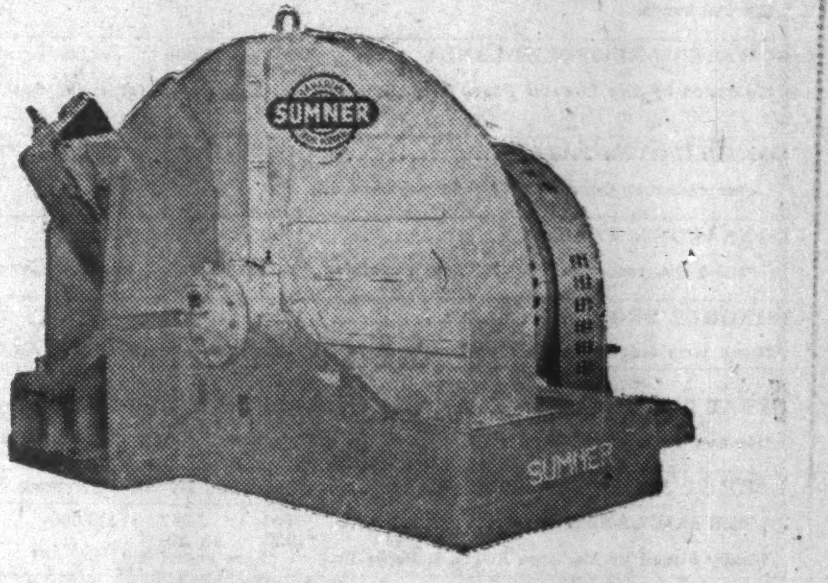

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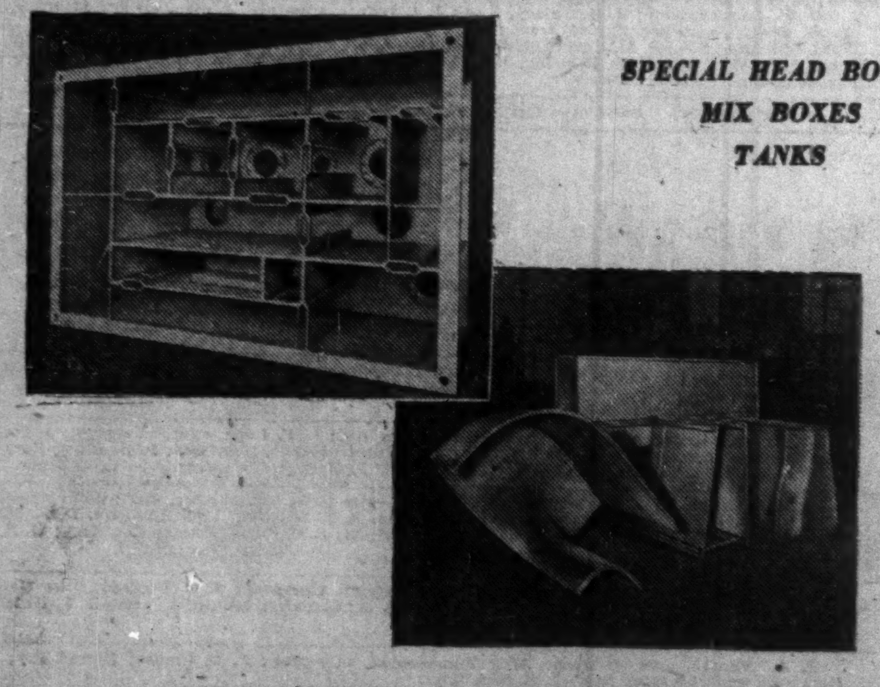

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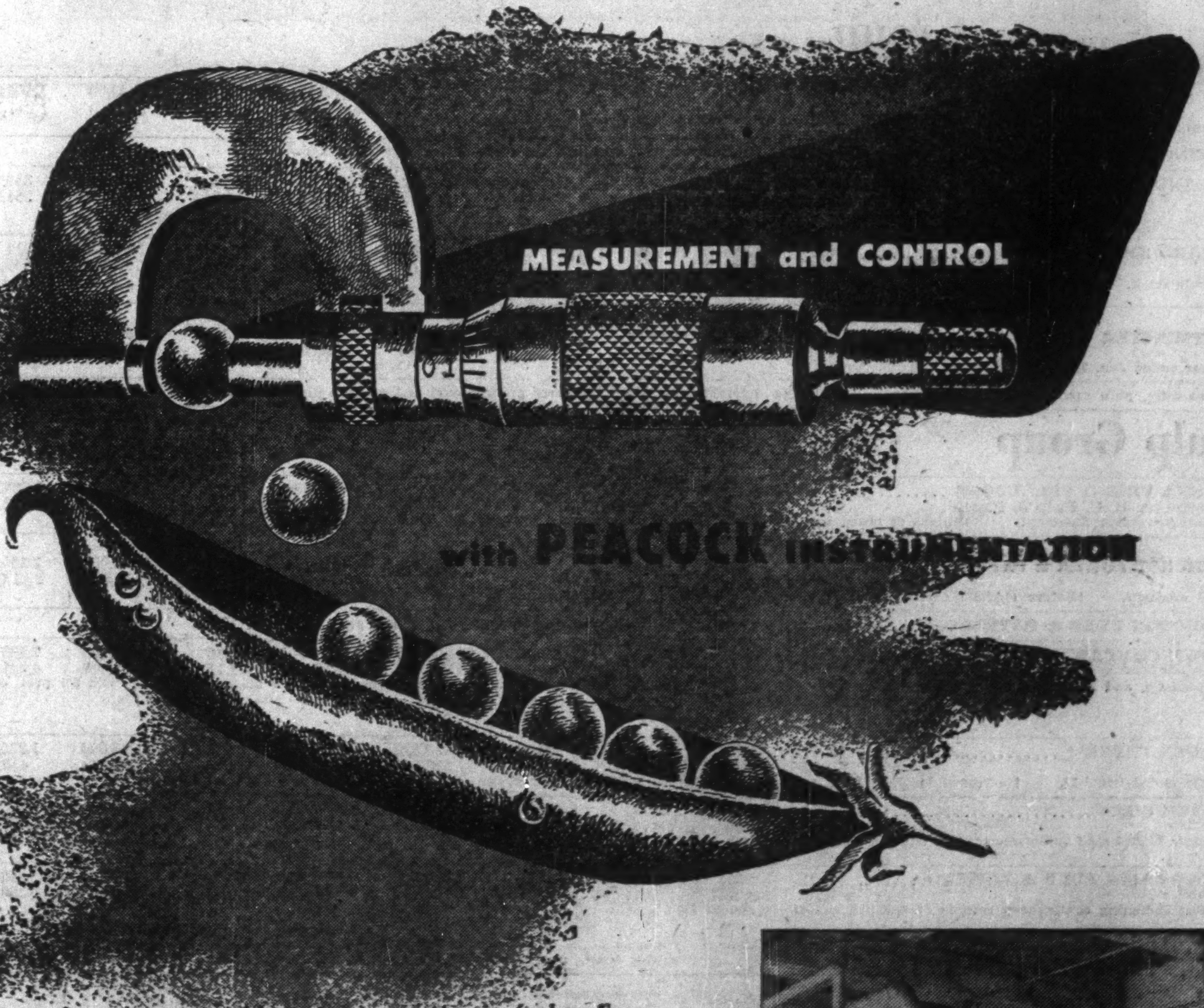

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The Financial Post Statistical Record of Major Pulp and Paper Companies

Newsprint Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
ABITIBI POWER & PAPER§ †On new capitalization after 3-for-1 stock split April, 1951. °On old stock.	1951 1950	29,000 sq. mi.	690,000	40,788,500 34,023,000	37,786,036 29,911,427	♦6,193,932 ♦5,622,168	22.25 18.94	16,745,000 10,240,000	12,997,877 12,623,833	12.37 12.02	†3.07 †(2.92)	1.50 1.50	0.75+°0.75 °2.25	7,697,400 8,100,377	26,403,179 22,322,739	D. W. Ambridge, pres. and gen. mgr.; H. W. Smith, exec. vice-pres.; Allan Graydon, C. L. Gundy, J. S. D. Tory, E. W. Bickle; Toronto; R. H. Reid, London, Ont.; H. J. Carmichael, St. Catharines; T. R. McLagan, Hon. Edouard Asselin, Montreal; J. P. Ripley, New York. Vice-pres.—R. J. Askin, C. B. Davis, A. P. Jewett. Treas.—Howard Young. Sec.—L. B. Popham.
ANGLO-CANADIAN PULP & PAPER■	1951 1950	3,150 sq mi.	235,000	....	10,209,613 6,350,674	1,544,511 1,208,427	....	4,418,968 2,118,923	4,246,134 3,023,324	....	4.04 2.88	....	2.30 1.00	1,831,134 1,973,324	9,616,783 11,953,727	R. C. McMichael, chm., Montreal; E. M. Little, pres., Quebec, Que.; H. G. Bartholomew, 1st vice-pres., London, Eng.; W. J. Clarke, vice-pres.; G. H. Bridge, treas.; W. E. Soles, Quebec, Que.; W. H. Howard, Westmount, Que.; F. J. Humphrey, New Jersey, U.S.A.; The Viscount Rothermere, C. H. King, London, Eng.; James Cooke, Surrey, Eng.; E. A. Sursham, Markyate, Herts, Eng.; A. S. Fuller, London, Eng. Sec.—H. D. Ruthman.
ANGLO-NEWFOUNDLAND DEV. CO.■ ‡Special bonus.	1951 1950	7,500 sq. mi.	221,000	....	16,828,680 10,164,394	♦1,760,259 ♦1,467,271	....	6,841,039 2,845,000	8,227,382 5,844,133	....	1.50 1.06	....	0.60 ‡2.00	4,928,332 2,178,523	23,112,601 21,254,443	F. J. Humphrey, chm., Ridgewood, N.J.; E. M. Little, pres., Quebec, P.Q.; Philip Gruchy, vice-pres. and gen. mgr.; J. S. Goodyear, sec.-treas.; Grand Falls, Nfld.; R. C. McMichael, W. H. Howard, B. C. Gardner, Montreal; The Viscount Rothermere, The Viscount Errington, A. S. Fuller, London, Eng.; E. A. Sursham, Markyate, Herts, Eng.; Grenville Beckett, Redhill, Surrey, Eng.
BOWATER'S-NEWFOUNDLAND■ Controlled by The Bowater Paper Corp. Ltd., London, Eng. *Year ended Sept. 30.	*1951 *1950	11,000 sq. mi.	300,000	22,372,839 23,713,872	11,304,119 7,916,972	♦3,057,170 ♦3,044,259	10.82 5.96	3,415,000 1,077,000	4,069,829 2,977,710	1.63 1.19	0.93 0.88	4½% 4½%	8% 8%	2,795,079 1,892,010	21,759,398 17,531,481	Sir Eric V. Bowater, pres., London, Eng.; G. S. Currie, 1st vice-pres., Montreal; H. M. S. Lewin, vice-pres. & gen. mgr., Cornerbrook, Nfld.; A. B. Meyer, vice-pres, Greenwich, Conn.; G. H. Carson, dir. of operations; J. G. Wyllie, controller, Cornerbrook, Nfld.; C. G. Heward, Montreal; W. A .Reid, Hon. L. R. Curtis, G. A. Winter, St. John's, Nfld.; J. H. Keeling, London, Eng.; A. Brackenridge, New York. Sec.—D. W. Timmis.
CONSOLIDATED PAPER§ *After deducting bond sinking fund payment due Mar. 1 following year.	1951 1950	17,614 sq. mi.	729,763	*15,161,500 *19,550,500	33,584,127 26,957,885	4,850,073 4,658,962	49.83 23.82	15,250,000 9,230,000	12,905,574 12,133,660	....	5.03 4.73	....	1.50+0.75 1.50+0.75	7,131,913 6,360,234	43,243,357 40,716,117	L. J. Belnap*, chm.; G. M. Hobart*, pres.; Francois Faure, vice-pres.; N. J. Dawes*, W. H. Howard, G. M. Todd, R. H. McMaster*, E. A. Macnutt*, C. F. Sise, Hon. C. A. Dunning*; Montreal; H. D. L. Gordon, Toronto. Vice-pres. & compt.—George Henderson. Vice-pres. i/c mfg.—Richard Collins. Sec.—G. W. Hodgson. Treas.—D. L. Adams. *Member exec. comm.
DONNACONA PAPER■▴ *24,260 shs. redeemed Dec. 15, 1950; remaining 740 shs. converted into 2,960 common shs.	1951 1950	1,611 sq. mi.	100,000	5,525,000 5,720,000	5,506,195 4,689,164	♦1,334,975 ♦1,165,440	19.84 15.74	2,316,011 1,610,971	1,644,965 1,688,858	* 67.56	4.33 4.18	.... 4.50	1.00 1.00	1,265,433 1,209,019	5,212,466 4,469,511	Harold Crabtree, chm., Montreal; L. W. Michael, pres. & treas.; L. A. Palmer, vice-pres.; Donnacona, Que.; E. Howard Smith, vice-pres.; Hon. G. B. Foster; Montreal; J. Edouard Simard, Sorel, P.Q.; R. P. Kernan, Quebec, Que.; Aubrey Crabtree, Edmundston, N.B.; A. J. Philip. Sec.—P. L. Fitzgerald.
DONOHUE BROS.■ ‡Long term indebtedness replaced early in 1952 by issue of bonds totaling $3,500,000. †On new capital stock after 2-for-1 split approved in Dec., 1951. °On old stock.	1951 1950	557 sq. mi.	63,000	‡1,787,957 ‡691,057	2,153,970 1,675,462	247,433 261,354	....	1,001,251 588,303	905,286 825,805	....	†(3.02) †2.75	....	°1.00+1.00 °1.00+1.00	605,286 525,805	2,862,244 2,705,305	Chas. Donohue, chm.; G. T. Donohue, pres.; Mark Donohue, vice-pres.; A. E. Beauvais, sec.; Maj. P. M. A. Simard, asst. to pres.; Lt.-Col. L. J. A. Amyot; Quebec, Que.; J. D. Coffin, New York.
GREAT LAKES PAPER■ *On new stock after 3-for-1 split approved by shareholders June 29, 1951. ♦Paid $2.50 per cl. A and $1.20 per cl. B in both years. ‡Paid $1.35 per old sh. and $1.15 per new sh. (equal to $1.60 per new sh.). °On old stock.	1951 1950	3,500 sq. mi.	145,000	4,060,000 5,215,000	11,755,328 6,615,048	♦1,563,472 ♦1,342,495	56.72 25.62	5,300,000 2,300,000	4,734,494 2,770,781	A & B 27.99 14.96	*3.68 *(2.02)	A & B ♦ ♦	‡ °1.55+0.15	2,399,141 1,747,630	8,283,531 7,232,452	Hon. W. E. Rowe, pres. and man. dir.; W. C. Cochrane, vice-pres.; Charles England, asst. to pres. & sec.-treas.; R. G. Meech, A. G. Walwyn, Col. M. C. G. Meighen; Toronto; Hon. Ray Lawson, Oakville, Ont.; Joseph Horner, Jr.*, Green Bay, Wis.; J. A. Beresford*, Detroit, Mich. Vice-pres. i/c sales—J. E. Gefaell. Vice-pres. i/c prod.—C. A. Michels. Asst. sec.-treas. & compt.—F. K. Carlisle. *Representing publishers.
LAKE ST. JOHN PWR. & PAPER■ —Absorbed by St. Lawrence Corporation Ltd. (which see) early in 1952.																
JAMES MACLAREN CO.▴ Wholly owned by Maclaren Power & Paper Co. *Year ended Nov. 30.	*1951 *1950	2,647 sq. mi.	115,000	....	5,130,265 4,607,640	486,814 456,488	....	2,350,000 1,685,000	2,293,451 2,466,151	....	....	....	....	....	....	A. Barnet Maclaren, pres., Ottawa; A. Roy MacLaren, vice-pres.; H. W. Cressy, mgr.; J. A. Bryant, sec.; Buckingham, Que.; C. H. Maclaren, Ottawa.
MERSEY PAPER CO. °After depletion. †On new stock. ‡On old stock.	1951 1950	3,800,000 cords	128,000	1,000,000 1,200,000	°5,914,387 °5,684,394	414,991 364,111	108.36 77.39	2,725,321 2,058,824	2,723,325 3,192,709	39.25 †53.67	12.16 15.41	4.50 ‡4.50	3.00 3.50	1,816,308 2,211,249	3,283,259 2,481,284	J. McG. Stewart, chm., Halifax, N.S.; B. J. Waters, pres. & gen. mgr.; J. H. M. Jones and R. L. Seaborne, vice-pres's, Liverpool, N.S.; George Killam, Yarmouth, N.S.; J. C. MacKeen, Halifax. Sec. & treas.—J. A. Parker.
MINNESOTA & ONTARIO PAPER§	1951 1950	10,000 sq. mi.	193,000	1,947,000 2,157,600	15,106,616 11,976,753	♦2,571,272 ♦2,522,341	186.24 132.28	7,035,600 4,122,476	5,432,438 5,260,462	....	4.22 4.09	....	2.00 1.87½	2,860,363 2,849,590	15,384,591 15,108,929	J. B. Faegre, pres.; C. T. McMurray, exec. vice-pres.; T. L. Daniels, C. T. Jaffray, H. W. Sweatt, D. F. Bull, Minneapolis; Serge Semenenko, Boston; C. S. Garland, Baltimore, Md.; C. G. Cockshutt, Brantford, Ont.; R. S. Waldie, Toronto. Vice-pres's—Robert Faegre, R. D. Main. Sec. & treas.—H. A. Hull. Compt.—E. A. Johnston.
PACIFIC MILLS§ Controlling interest held by Crown Zellerbach Corp. of United States. *Year ended April 30. ‡On new $10 par stock. †Paid on old $25 par stock.	*1952 *1951	....	87,000	....	9,843,332 9,601,744	♦1,817,909 ♦1,669,810	....	4,014,876 3,658,874	4,010,547 4,273,060	200.64 212.04	‡5.19 ‡(5.54)	6.00 6.00	2.00 †5.00	2,390,613 2,618,499	8,493,334 7,517,174	P. E. Cooper*, pres.; J. A. Young*, 1st vice-pres. & treas.; H. C. Pim*, vice-pres. (sales); J. H. Lawson, sec.; Hon. E. W. Hamber, M. D. Hamilton, W. D. McLaren, W. E. Wintemute. Vice-pres. (woodlands)—O. D. Hallin. Vice-pres. (mfg.)—R. H. R. Young. Compt.—G. J. C. Hodson. *Member exec. comm.
POWELL RIVER§ †After conting. res. of $500,000 in 1951, $1,000,000 in 1950. ‡On new stock. ♦Paid 25c plus 30c on new stock and $2.00 plus 75c on old stock. °On old stock.	1951 1950	600 stated	320,000	....	23,289,843 20,296,167	♦3,497,126 ♦2,345,556	....	10,030,000 7,436,000	†9,180,479 †9,206,417	....	‡2.19 ‡(2.28)	....	♦ °2.00+2.50	2,962,568 3,155,290	9,407,167 12,473,169	H. S. Foley, pres.; M. J. Foley, exec. vice-pres.; G. W. O'Brien, vice-pres.; A. H. Williamson, W. S. Brooks; Vancouver; H. F. G. Letson, Edward Brooks, Anson Brooks, Minneapolis, Minn.; R. H. Scanlon, San Francisco; J. G. Sample, Chicago. Vice-pres's—I. H. Andrews, J. E. Leirsch, J. A. Kyles. Vice-pres. & res. mgr.—R. M. Cooper. Sec.—J. H. Lawson. Compt.—H. J. Burns.
PRICE BROS. & CO.§ ‡Paid 75c per new share, and $4.00 plus $1.50 per old share.	1951 1950	7,760 sq. mi.	455,000	6,835,000 7,335,000	21,427,220 18,398,972	♦2,642,000 ♦2,400,000	77.73 61.20	9,975,000 6,500,000	8,568,558 9,237,564	171.37 184.75	3.82 4.12	4.00 4.00	1.75 ‡	4,533,559 5,750,422	38,085,959 36,021,942	H. J. Symington, chm., Montreal; A. C. Price, pres., Quebec, Que.; A. A. Aitken, vice-pres.; J. D. Johnson, J. C. Newman, W. A. Arbuckle; Montreal; M. R. Kane, A. C. Picard, A. C. M. Thomson, Quebec, Que.; Sir Keith Price, London, Eng. Exec. vice-pres.—Hector Cimon. Vice-pres. i/c woodlands—R. S. Armitage. Vice-pres. & treas.—P. W. Sims.
ST. LAWRENCE PAPER MILLS —Absorbed by St. Lawrence Corporation Ltd. (which see) early in 1952.																
ST. LAWRENCE CORP.§ *Consolidated statement. †After deducting dividends paid on pref. stocks (all redeemed during 1951) and minority interest only; not including pref. s.f. previously deducted. °Old first pref. only. •After cost of shs. redeemed of $4,536,039 in 1951, $3,917,812 in 1950. ▴Increased to $30,000,000 early in 1952 when subsidiaries absorbed.	*1951 *1950	8,917 sq. mi.	365,000	▴11,491,023 11,506,087	22,027,561 16,670,868	♦1,517,060 ♦1,282,464	34.28 31.25	10,664,719 6,622,244	9,247,477 8,270,870	....	†7.90 †11.33	°1.50 °2.00	1.00 nil	•2,526,975 •2,638,804	13,352,223 25,761,739	M. W. McCutcheon, chm., Toronto; P. M. Fox, pres.; N. A. Timmins, Jr., vice-pres.; Hon. Edouard Asselin, A. K. Cameron, A. H. Campbell, J. E. L. Duquet, H. C. Flood, Hon. G. B. Foster, J. I. Rankin; Montreal; Robert Fennell, J. A. McDougald, E. P. Taylor, Toronto; Hugh Mackay, Saint John, N.B.; D. J. Salls, Sherbrooke, Que.; Nathan Pitcairn, Philadelphia, Pa.; Arthur Ross, New York. Vice-pres. & gen. mgr.—S. E. Williams. Vice-pres's—E. P. Wilson, J. W. Fries. Compt. & sec.-treas.—L. A. Tucker.

♦Including depletion. dDeficit. ■Also produces sulphite pulp. ▴Also produces groundwood pulp. §Also produces pulp, kraft and other wood products.

Fine and Specialty Paper Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
EDDY PAPER CO.§ †Increased in May, 1952, by issue of $4,800,000 4¾% 1st mtge. s.f. bonds, series C, due May, 1969.	1951 1950	5,800 sq. mi.	150,000	†5,190,430 5,767,224	4,720,502 3,388,183	♦1,238,121 ♦1,035,334	16.00 9.84	1,843,000 858,000	1,406,694 1,247,330	7.03 6.24	6.03 5.24	1.00 1.00	nil nil	1,206,694 1,047,330	4,952,753 5,371,078	W. Garfield Weston, chm.; W. S. Kidd, pres.; A. Welch, vice-pres. & gen. mgr., Ottawa; H. J. Coon, R. A. Robertson, C. L. Gundy, H. W. Lofft, Toronto; J. A. Craig, Victoria, B.C. Vice-pres.—J. F. Taylor. Sec.-treas.—R. F. Caldwell.
PROVINCIAL PAPER▴ All accounts consolidated with those of Abitibi Power & Paper Co., Ltd.																
ROLLAND PAPER	1951 1950	....	25,000	1,450,000 1,525,000	1,151,222 1,005,905	317,648 307,304	14.56 11.75	438,000 275,000	338,324 364,147	19.90 21.42	4.43 4.86	4.25 4.25	0.60+0.25 0.15	215,073 282,897	1,651,213 1,465,410	J. Pierre Rolland, pres.; J. A. Weldon, vice-pres.; Montreal; L. G. Rolland, vice-pres. & gen. mgr.; Olivier Rolland, Marc Rolland; Mont Rolland, Que.; R. H. Ecclestone, Alderic Laurendeau, Montreal; Hugh Mackay, Rothesay, N.B.; J. Y. Murdoch, K. S. Maclachlan; Toronto. Treas.—H. A. Le Blanc. Sec.—J. P. Lefebvre.
HOWARD SMITH PAPER§ †On old stock. ‡Paid 25c per new and $2.25 per old share.	1951 1950	3,300 sq. mi.	142,400	17,300,000 7,400,000	15,182,010 12,166,789	♦3,639,076 ♦3,531,055	24.90 36.59	6,050,000 3,710,000	4,914,725 4,546,007	30.72 28.41	2.87 †12.70	2.00 2.00	‡ †2.00+1.00	3,445,844 3,227,499	13,479,044 8,723,247	Harold Crabtree, chm.; E. Howard Smith, pres.; E. K. Robinson, exec. vice-pres.; G. H. Tomlinson, vice-pres.; A. B. Wood, deGaspé Beaubien, W. A. Arbuckle, Howard Murray, J. D. Johnson, Col. R. D. Harkness, W. H. Howard, H. Roy Crabtree, Montreal; C. L. Burton, A. E. H. Fair, Toronto. Sec. and treas.—K. G. Pendock. Controller—J. R. Leslie.
WESTMINSTER PAPER *Year ended Jan. 31.	*1952 *1951	....	20,000	1,320,000 640,000	1,619,110 1,026,428	306,414 300,275	51.10 33.11	655,000 280,000	626,741 421,255	A 6.27 4.21	B 1.92 1.24	A 0.50 0.50	B 0.35 0.25	471,741 296,255	1,474,113 1,066,911	J. J. Herb, chm.; Bellingham, Wash.; E. M. Herb, pres. & man. dir., Vancouver, B.C.; F. J. Herb, vice-pres., Bellingham, Wash.; F. F. Foote, sec.-treas.; J. G. Robson; New Westminster; A. D. Lauder, R. L. Cliff, C. Bentall, Vancouver.

§Also mfrs. pulp products and by-products. ♦Including depletion. ▴Also produces ground wood and sulphite plup. dDeficit.

Pulp Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
ALASKA PINE & CELLULOSE (Formerly B. C. Pulp & Paper) *From pro forma statement. ‡Millions of board feet. †Based throughout on 16,500 5% pref. shs. and 100,000 com. shs. outstanding at Dec. 31, 1951.	1951 *1950	‡8,000	140,000	13,607,000 15,000,000	16,072,368 12,097,882	♦3,450,726 ♦2,079,275	25.11 51.34	6,714,444 3,909,522	5,384,732 5,913,444	†326.35 †(358.39)	†53.02 †(58.31)	5.00	39.25	1,355,262	7,691,182 5,879,918	D. W. Ambridge, chm., Toronto; L. J. Koerner, pres.; W. C. Koerner, vice-pres. & man. dir.; L. J. Ladner, Leslie Cleminson, T. E. Ladner; Vancouver; J. S. D. Tory, Toronto; J. P. Ripley, New York. Sec.—G. L. Draeseke. Compt.—R. R. Keay.
BATHURST POWER & PAPER♦ *All products. ‡Before (†After) participation; cl. A, earned $4.00 (maximum available) after participation in 1951 and 1950.	1951 1950	2,700 sq. mi.	*154,000	3,225,000 3,351,000	8,649,848 5,326,248	♦933,911 ♦729,093	63.59 36.70	4,100,000 1,850,000	3,485,927 2,613,229	A ‡8.71 ‡6.53	B †5.80 †3.12	A 3.00+0.50 2.00+1.00	B 1.50 1.00	1,598,427 1,088,229	6,794,827 7,080,818	R. L. Weldon, pres.; P. A. Thomson, vice-pres.; Joseph A. Simard, A. J. Nesbitt, J. B. Woodyatt; Montreal; J. G. Chalmers, vice-pres., Bathurst, N.B.; R. G. Ivey, London, Ont.; Hon. G. P. Burchill, Nelson, N.B.; E. M. Little, Quebec, Que. Sec. and treas.—R. H. Christian. Vice-pres.—G. T. Cockerill.
BROMPTON PULP & PAPER§ —Absorbed by St. Lawrence Corporation Ltd. (which see) early in 1952.																
BROWN COMPANY** *Brown Co. and Brown Corp. †Based on earnings available for bond interest in accordance with trust deed. ‡New 5% pref only. °Old 6% pref. only. •Also paid $3 on old 6% pref.	1951 1950	3,852 sq. mi.	*320,000	14,400,000 15,200,000	20,264,187 10,773,503	♦2,574,647 ♦2,423,423	†33.23 †11.11	9,585,000 2,975,000	7,430,040 4,021,940	‡51.79 °27.90	3.17 1.58	‡•5.00 °6.00	nil nil	6,324,070 3,157,034	17,385,656 17,846,289	L. F. Whittemore, pres., Pembroke, N.H.; E. M. Hopkins, Montpellier, Vt.; O. B. Brown, Berlin, N.H.; J. B. Challies, A. D. Emory, G. B. Gordon, Montreal; J. L. Sullivan, Washington, D.C.; Gene Tunney, Stamford, Conn.; W. B. Joyce, New York, N.Y.; Hon. C. P. McTague, A. G. Walwyn, E. E. Johnson; Toronto. Vice-pres.—H. G. Schanche, D. P. Brown, E. H. Maling. Vice-pres. & asst. to pres.—Wentworth Brown. Vice-pres. & treas.—H. G. Brush. Vice-pres., gen. counsel & sec.—J. W. Jordan. Controller—W. J. Oleson, Jr.
DRYDEN PAPER** *Year ended Sept. 30. †Increased in Dec., 1951, by issue of $2,250,000 5¼% debentures due Dec. 1, 1966.	*1951 *1950	2,268 sq. mi.	60,000	†2,700,000 2,775,000	3,443,322 1,315,168	♦707,564 ♦422,831	24.21 10.89	1,386,000 351,000	1,236,758 450,432	....	6.03 2.47	....	1.60+0.40 1.20	826,758 232,032	3,736,045 2,797,467	E. L. Goodall, pres. & gen. mgr., Port Arthur, Ont.; H. J. Humphrey, vice-pres.; R. R. McLernon, asst. sec.; P. A. Thomson, J. B. Woodyatt, E. R. Parkins, J. R. S. McLernon, J. H. Bonar; Montreal; E. M. Little, Quebec, Que. Treas.—David Young. Sec.—J. B. Davison.
FRASER COS.▴ ‡Before 3-for-1 split authorized by SLP Apr. 23, 1952.	1951 1950	5,571 sq. mi.	231,000	5,250,000 5,600,000	18,333,623 11,523,805	♦3,376,460 ♦3,241,922	94.97 49.82	8,366,000 3,641,000	5,433,633 4,474,633	380.56 198.34	‡7.20 5.71	4.75 4.75	2.25+1.00 2.00+0.50	2,930,631 2,383,598	9,512,936 7,831,219	Harold Crabtree*, chm., Montreal; Aubrey Crabtree*, pres. and gen. mgr.; L. M. Sherwood*, vice-pres. and controller; Edmundston, N.B.; A. H. Campbell, Hon. D. L. MacLaren, Hon. F. P. Brais, H. P. Thornhill, A. M. Irvine*, Montreal; S. F. Duncan*, Toronto; G. E. Barbour, Saint John, N.B. Sec.—G. G. Gillies. Treas.—H. H. Henderson. *Member executive committee.
MINAS BASIN PULP & POWER♦♦ †After deducting contingency reserve of $400,000 in 1951, $50,000 in 1950.	1951 1950	398 sq. mi.	35,000	1,165,000 1,635,000	1,659,090 703,248	193,129 159,083	20.62 9.61	577,644 148,143	†340,055 †289,422	....	20.00 17.02	....	3.00 1.60	289,055 262,222	1,572,093 1,053,412	D. W. Murray, chm.; R. A. Jodrey, pres.; J. J. Jodrey, vice-pres. & man. dir.; G. H. Nichols, treas.; L. G. Bishop, asst. sec. & asst. treas.; B. R. Alexander; Hantsport, N.S.; G. A. Chase, L. B. Chase, Port Williams, N.S.; F. M. Covert, F. C. Manning, R. W. Harris, Halifax; Judge K. L. Crowell, Bridgetown, N.S.; D. S. Hennigar, Berwick, N.S.; Hon. C. G. Hawkins, Milford Station, N.S.; C. P. Wyman, Portneuf, Que. Sec.—G. A. Bent.

♦Including depletion. ♦♦Also produces paperboard. **Also produces kraft, manila and building papers, bags, etc. §Also produces kraft, building, specialty and newsprint papers. ▴Also produces bond and specialty papers and lumber produced. ♦Also produces kraft box and container boards.

Miscellaneous Group

Company	Year	Wood Resources Cords or Sq. Miles	Mill Capacity Annual Tons	Funded Debt $	Net Earn. $	Deprec. $	Times Int. Earned After Deprec. No.	Income Taxes $	Net Profit $	Earnings per Share Pref. $	Earnings per Share Com. $	Dividends Paid or Pay. Pref. $	Dividends Paid or Pay. Com. $	Surplus for Year $	Working Capital $	DIRECTORS
BARBER-ELLIS OF CANADA	1951 1950	....	....	....	629,292 615,556	94,488 83,850	.... 33.05	287,000 230,000	240,304 285,620	200.25 238.02	5.37 6.40	3.50 3.50	2.50+1.00 2.50+2.00	82,104 83,420	1,004,017 1,024,818	E. H. Ellis, pres., Toronto; C. G. Ellis, chm. & vice-pres., Brantford; K. W. Murphy, gen. mgr.; Harold Holt, sec.-treas.; Toronto; J. S. Ellis, Montreal; Arthur Fogler, T. A. Thornton, Toronto; A. E. Nelson, Winnipeg; Vernon Stott, Vancouver.
BUILDING PRODUCTS	1951 1950	....	....	375,000 500,000	3,573,727 3,538,613	496,029 457,285	....	1,560,000 1,265,000	1,502,516 1,797,708	....	3.11 3.72	....	1.80 1.65	632,425 1,000,124	5,614,376 5,600,985	W. R. McNeill, chm.; L. S. Odell, pres. and man. dir.; L. F. Long, exec. vice-pres.; J. D. Johnson, J. A. Eccles; Montreal; H. R. Tudhope, Toronto; Joseph Harris, Winnipeg; P. R. Allen, East Walpole, Mass. Vice-pres.—S. M. Barclay, C. E. Turner, H. E. Pringle. Sec.-treas.—R. C. Crooker.
CANADIAN WALLPAPER *Year ended April 30.	*1952 *1951	....	....	300,000 300,000	313,298 591,477	161,417 137,132	12.68	80,688 210,000	59,193 235,345	....	A & B 0.46 1.82	....	A & B 0.40 1.00	7,495 106,099	2,122,064 2,356,930	Arnold Ashton, pres., Toronto; Alfred Whittle, vice-pres., Manchester, Eng.; John Prescott, sec.-treas.; D. E. Boxer, R. J. Boxer, T. A. G. Staunton, R. R. Sparling, L. K. Redman, D. A. Mackenzie; Toronto; R. H. Gillean, Jr., A. H. McDougall, Montreal; A. Jackson, Manchester, Eng.; G. H. Walmsley, Rochdale, and J. Watson, Darwen, Lancs., Eng.
CANADIAN WIREBOUND BOXES *Year ended April 30. •Class A only. ‡In addition stock dividend paid of 65/100 of one new cl. B share for each cl. A and common share held. °Old class B, exchanged late in 1951 for new common, share for share.	*1952 *1951	....	....	750,000 800,000	1,283,243 1,411,707	160,992 164,739	....	577,600 556,000	544,651 690,968	•9.29 •12.25	4.60 °6.58	‡1.50 1.50	‡1.00 1.00	356,792 507,330	2,600,085 2,388,365	A. M. Dunn*, pres. and man. dir.; S. B. Playfair*, vice-pres.; J. S. Dickson, Carr Hatch, R. J. Dunn, Gordon McMillan*, H. L. Trapp; Toronto; A. K. Cameron, Montreal. Sec.—D. F. Hazell. Treas.—F. H. Ellis. *Member exec. comm.
CORRUGATED PAPER BOX †On new common after 5-for-1 split authorized by SLP Dec. 15, 1951. ‡On old stock	1951 1950	....	....	 100,000	869,901 610,176	138,089 114,236	....	376,150 195,732	355,550 297,786	79.17 66.31	†1.42 †(1.17)	5.00 5.00	‡1.87½+0.62½ ‡1.50+0.50	215,595 181,309	1,346,282 1,334,902	J. A. Whealy, pres. & treas.; Wm. Zimmerman, vice-pres.; F. L. Clouse; Harold Fry; Toronto; Henry Hilton, Winnipeg. Sec.—E. R. Bluethner.
DOMINION CONTAINERS ‡On new 5% pref. and new common stock as if outstanding throughout both years. †In 1951 paid 10c per new 5% pref. sh., 10c per new common sh. and $1.75 per old 7% pref.; in 1950 paid $7.00 plus $12.00 arrears per old 7% pref. sh.; none paid on old cl. A or cl. B shs.	1951 1950	....	....	602,000 650,000	746,286 441,680	73,799 72,423	24.34 18.39	354,544 150,975	287,420 196,089	‡2.77 ‡(1.89)	‡2.57 ‡(1.69)	† †	† †	231,078 148,114	1,052,967 926,641	C. N. Moisan, pres. & gen. mgr.; Hon. Wilfrid Gagnon, vice-pres.; J. A. Moisan, Mendoza Langlois, T. M. Barrington, Bruce Brown, Leon Simard; Montreal. Sec.-treas.—T. A. Moisan.
GAIR CO. CANADA Common stock all owned by Robt. Gair Co. Inc.	1951 1950	....	....	....	4,478,165 3,135,946	611,811 586,568	....	1,929,456 1,017,992	1,936,898 1,531,386	267.16 161.20	15.86 12.42	4.00 4.00	4.00 4.00	1,201,134 819,496	3,949,807 2,972,756	D. H. Ross, pres. & gen. mgr.; W. G. Cowan and A. L. Mitchell, vice-pres's; Toronto; J. S. Babbitt, vice-pres., Montreal; G. M. Willoughby, sec., Toronto; R. F. DeVoe, New York; G. E. Dyke, Ossington, N.Y. Treas.—W. R. Eccles. Compt.—H. A. Agar.
HENDERSHOT PAPER PROD.	1951 1950	....	....	....	271,644 124,993	39,291 33,608	....	124,508 37,331	107,845 54,054	43.14 21.62	3.18 1.38	5.00 5.00	1.00 1.00	65,345 11,554	134,039 105,986	T. R. Harrison, pres., Toronto; G. W. Hendershot, Argue Martin, S. S. Dumoulin, J. C. Colclough; Hamilton, Ont. Sec.-treas.—W. A. W. Dickson.
HINDE & DAUCH PAPER	1951 1950	....	....	600,000	3,534,390 2,616,090	426,026 380,169	....	1,685,000 980,000	1,423,364 1,255,921	....	4.74 4.19	....	1.40 1.15	1,003,364 910,021	3,816,219 2,792,901	Sidney Frohman, chm.; C. E. Frohman, vice-chm.; Sandusky, Ohio; L. F. Winchell, pres. & gen. mgr.; T. E. Lloyd, M. H. McArthur, vice-pres's; R. L. Warren; Toronto; M. H. Murch, Cleveland, Ohio. Vice-pres. i/c prod.—W. H. Palm. Treas.—R. S. Kellow. Sec.—Wm. Pfeiffer.
J. C. WILSON	1951 1950	....	....	....	815,703 463,161	120,115 120,555	....	356,239 140,199	330,046 197,230	....	1.99 1.19	....	0.60+0.10 0.55+0.05	214,021 97,780	1,341,818 1,182,800	J. C. Wilson, pres. & gen. mgr.; F. H. Wilson, vice-pres.; W. R. Pollock, sec.; H. G. Lafleur, Mrs. Dorothy D. Wilson. Treas.—A. S. G. Henderson.

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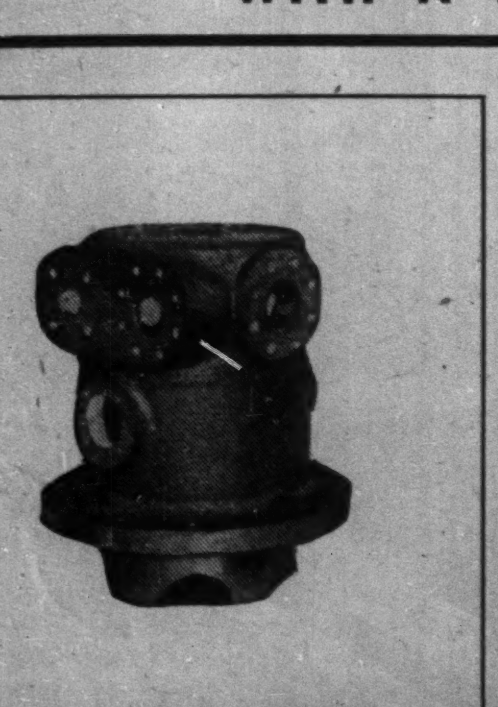

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The Wood Pulp Producers

(Continued from page 54)

bia Cellulose operated at a loss of $1,392,000 for the eight months ended Dec. 31, 1951.

Mill's production of high alpha pulp is used for the manufacture of cellulose acetate textile fibres and plastics in the plants of Celanese Corp. of America. The parent company has contracted to buy the full production of the new mill up to an average of 200 tons of high alpha pulp per working day in each calendar quarter up to Sept. 30, 1969, at a price not lower than $132 per ton f.o.b. the mill. In addition, Celanese Corp. has the exclusive right to purchase any excess production but the company may sell the excess elsewhere if not required by Celanese.

Much of the mill's production is eventually to be shipped to the Edmonton plant of Canadian Chemical Co. — another Canadian affiliate of Celanese Corp. of America — for further manufacture. The plant, scheduled to be in operation by next spring, will produce cellulose acetate as well as petro-chemicals.

The Government of British Columbia has made available to the company a sufficient forest area to maintain the anticipated pulp mill capacity in perpetuity. The tract, north of the mill location, was the first forest management license of its kind to be granted by the Government. Forest area is ranged along the Skeena and Naas watersheds with 50% of the growth hemlock trees.

Capitalization outstanding at Sept. 2, 1952, consisted of funded debt of $17,525,000; $17,450,000 5% preferred stock; and $10 millions common stock.

Donnacona

Donnacona Paper Co., in addition to its large newsprint and insulating board operations, produces a substantial amount of sulphite pulp for sale. Sulphite capacity at its Donnacona, Que., mill totals 35,000 tons annually.

Over-all production of Donnacona last year again showed an increase, totaling 170,688 tons against 155,804 tons in 1950. Demand remained strong throughout 1951, with the exception of domestic demand for insulating board which slackened off in the final quarter.

See newsprint companies for main report on Donnacona.

Beverly P & P

Beverly Pulp & Paper Mills Ltd. was formed earlier this year. It replaces Edmonton Pulp & Paper Mills Ltd., which had planned to build a newsprint and dissolving pulp mill at Edmonton and actually did complete part of the foundation in the fall of 1950.

Plans are to construct the Beverly mill on the same site, R. O. Sweezey, who had been president of Edmonton Pulp & Paper, reported. He said that revised plans call for a 200-ton daily capacity mill to produce chemical pulp.

No announcement has been made in regard to financing arrangements or when construction might be started.

Fraser Cos.

Besides its large paper and paperboard operations, Fraser Companies Ltd. turns out a substantial amount of pulp for sale, both directly and through one of its subsidiaries.

At the end of 1951, it had capacity at Edmundston for producing 110 tons of bleached sulphate pulp daily, of which 50% was for sale. The Atholville, N.B., mill of its subsidiary, Restigouche Co., can turn out 195-260 tons of bleached sulphite pulp, for use in papermaking, and dissolving pulp, for manufacturing rayon, Cellophane and plastics, daily.

Most of the output of the new (completed in 1949) 150-ton daily capacity unbleached sulphate mill at Newcastle, N.B., is shipped to Edmundston for bleaching. Some, however, is sold in unbleached form.

In 1951, demand for pulps continued strong. This year, reporting on a drop in net profit for the first half-year compared with the same 1951 period, the company stated that backlog of orders on hand at all plants at the beginning of 1952 had practically disappeared. It added that curtailment of some operations was necessary in the latter part of the period and that prices for "certain products" were reduced.

For main report, see specialty paper producers.

Gaspesia

Gaspesia Sulphite Co., a wholly owned subsidiary of Anglo-Newfoundland Development Co., produces a high-grade unbleached sulphite pulp designed to meet U. S. market requirements. Annual capacity of its Chandler, Que., mill is now 82,500 tons and will be raised by another 25 tons daily when certain improvements have been completed.

Earlier this year the parent company announced plans for installing a bleaching plant at Chandler and hopes to have this in operation by mid-1953. Bleached sulphite, it explained, is a more stable product and less susceptible to shifting demands.

Last year the mill operated at capacity and produced a record 79,444 air-dry tons of unbleached sulphite, up 22,180 tons from 1950. This output, plus buoyant prices in a strong market, led to an "exceptional improvement" in net earnings. Net profit totaled $1,917,555, against $368,871 in 1950.

Net profit for 1952 may be down 65%-75% from 1951, the company reported recently. Production has been at capacity but price for unbleached sulphite was dropped by about $20 a ton effective July 1.

Great Lakes

Great Lakes Paper Co. manufactures newsprint and unbleached sulphite pulp at its plant on the Kaministiquia River near Fort William, Ont. Full facilities for rail and water shipments are available.

Company obtained a 21-year lease in 1940, with provision for a 21-year renewal, of Ontario timber areas considered adequate for future operation of the mill. Timberlands held under lease and by freehold title cover over 3,500 square miles in Ontario. They are estimated to contain over 13.5 million cords of pulpwood, over 11 million of which are suitable.

Control of Northern Wood Preservers Ltd., Port Arthur, was acquired early in 1951 in an effort to achieve maximum utilization of timber resources. This company carries on a substantial business in production and creosote treatment of lumber poles, track ties, etc.

Production in 1951 totaled 146,369 tons (140,873 in 1950) of newsprint, and 70,106 tons (49,496) of woodpulp. Net sales amounted to $26,237,900, up 38.2% from 1950's $18,986,615.

Net profit of $4,734,494 in 1951, highest in company's history, was 70.9% greater than the previous year's net of $2,770,781. Adjusted for a three-for-one stock split in June, 1951, earnings were $27.99 ($14.96) a share on the combined Class A and Class B shares. Dividends paid in each year were $2.50 on Class A and $1.20 on Class B shares. Earnings and dividends on the old common stock in 1950 were $6.07 and $1.70 respectively, and in 1951, on the new common shares, $3.68 and $1.60.

In the first half of 1952, net profit amounted to $1,429,077, 31.6% lower than the corresponding 1951 net of $2,089,518 (revised to apply year-end Dec. 31, 1951, adjustments). The six months' net is equivalent to earnings of $8.62 ($11.52) a share on the combined Class A and Class B shares, and of $1.07 ($1.61) per common share. Earnings are based on the 65,643 (81,403) class A shares outstanding at June 30, 1952 (1951). Number of Class B and common shares outstanding remained unchanged at 100,000 and 1,200,000 respectively. During 1951, 16,080 Class A preference shares were purchased for redemption.

Capitalization outstanding at Dec. 31, 1951, consisted of $4,060,000 3½% first mortgage bonds due 1966 and 1967; 69,163 shares of $2.50 Class A preferred stock, n.p.v.; 100,000 shares of $1.20 Class B preferred stock, n.p.v.; and 1,200,000 n.p.v. common shares.

Howe Sound

The unbleached kraft pulp mill at Port Mellon, B.C., formerly operated by Sorg Pulp Co., wholly owned subsidiary of Sorg Paper Co., Middletown, Ohio, was purchased early in 1951 by a group consisting of Canadian Forest Products Ltd. and associated interests, and is being operated as Howe Sound Pulp Co. Some $6 millions was to be spent by the new group on complete modernization of the mill.

Canadian Forest Products, Vancouver, owns extensive timber stands both on Vancouver Island and on the British Columbia mainland. Company operates logging camps, sawmills, a plywood plant, shingle mills and British Columbia's only hardboard plant, in addition to the Howe Sound Pulp Co.

The Port Mellon mill went into

(Continued on page 58)

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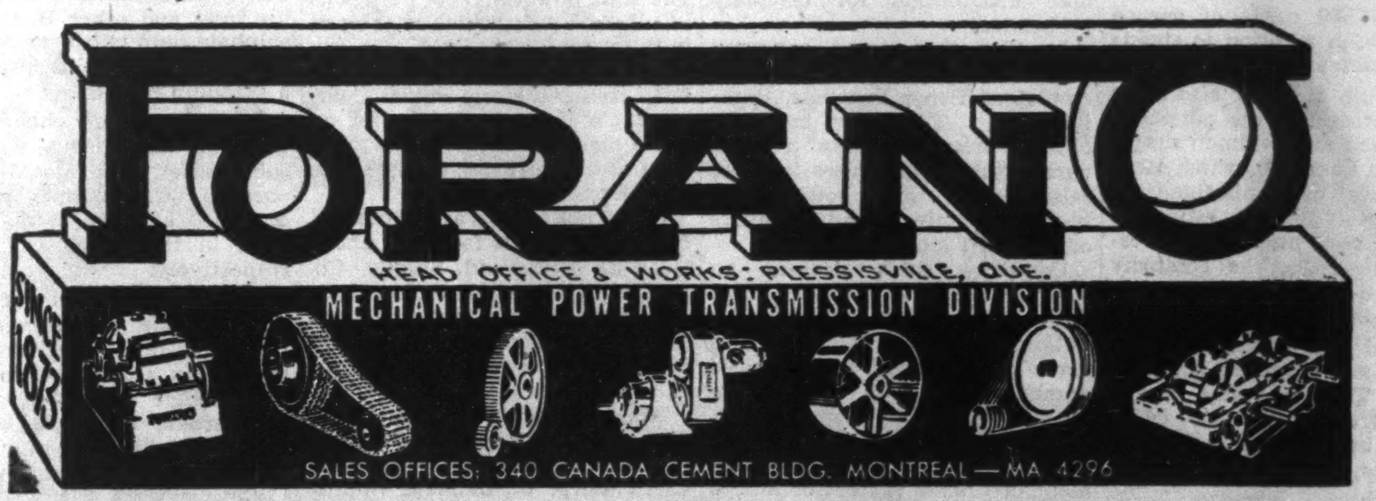
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Progress Report
1952

- PRODUCTION AT PEAK

● The Anglo-Newfoundland Development Company Limited, which holds 7,500 square miles of timber limits in Newfoundland, Canada's most easterly Province, had a record output of newsprint at its giant mills at Grand Falls in 1951—approximately 232,000.

- $12 MILLIONS ON EXPANSION

● Production of newsprint on such a grand scale was made possible by a programme of modernization begun by Anglo-Newfoundland several years ago and due for completion by 1954, at a total cost of around $12,000,000. More modern and more efficient machinery and equipment is being installed as part of the Company's programme of increased production for a newsprint-hungry world.

- CAPITALIZATION INCREASED

● Anglo-Newfoundland stock is arousing considerable interest on the Montreal Curb Market. In November, 1950, the authorized capitalization of A.N.D. Co. Ltd. was increased from 3,000,000 to 6,000,000 shares of $5 par value. Additional shares were issued on December 22nd, 1950, as a bonus on the basis of two additional shares for each share held. 3,665,610 shares were thus issued, bringing the outstanding shares to 5,498,415. Dividends are presently paid on a quarterly basis of 15c per share.

- NEARING HALF CENTURY MARK

● Anglo-Newfoundland Development Company Limited was incorporated in January, 1905, through the initiation of the Harmsworth interests of London, England. Construction of a newsprint mill at Grand Falls, on the Exploits River, was undertaken in 1905 and production commenced in December, 1909, with three machines having a capacity of 30,000 tons per annum. Two new machines were installed in 1912, increasing the annual production to 60,000 tons. A sixth machine, added in 1925, brought capacity to 100,000 tons per year. In 1933, a seventh machine was installed which, with subsequent speeding up of all machines, has brought production up to its present peak level.

ANGLO-NEWFOUNDLAND DEVELOPMENT CO. LTD.
Manufacturers of Quality Newsprint
GRAND FALLS, NEWFOUNDLAND, CANADA

Here Are the Wood Pulp Producers

(Continued from page 57)

operation in May, 1951, after having been shut down by its former owners. Immediate objective was a daily production of 175 tons of kraft pulp, with the ultimate goal being production of 350 tons of bleached kraft pulp per day.

Howe Sound is operated without a woodroom of any kind, its raw material consisting entirely of the waste recovered from Canadian Forest Products' Eburne Saw Mills Division.

Irving

Irving Pulp & Paper Ltd. owns and operates a pulp mill at Fairville, N.B., at the mouth of the St. John River. Its name was changed from Saint John Sulphite Ltd. last year. Present daily capacity totals 130-140 tons of bleached sulphite pulp. A large expansion program now well under way, however, will increase this to 200 tons of sulphite daily and, in addition, provide capacity for turning out 250 tons of bleached kraft pulp daily.

Expenditures on the big program, which involves completely rebuilding and enlarging the present mill, will total around $18 millions. The increase in sulphite capacity is expected to be finished by the end of the year. As soon as this phase of the job is completed, work will start on the new kraft capacity, which will be installed under the same roof and is expected to be in operation by early 1954.

The company's timber limits comprise an undivided freehold interest owned in timberlands in the northeastern section of Maine, totaling 51,345 acres, plus 68,715 acres of timberland in Carleton and York Counties, N.B. Estimates are that these areas contain 656,590 cords of spruce and balsam, in addition to stands of pine, cedar and hardwood.

Irving Pulp & Paper also owns a 29.6% interest in the outstanding preferred and common shares of Allagash Land Co., which owns 85,144 acres of timberland in Maine containing an estimated 537,916 cords of pulpwood. Present timber limits, the company reports, are sufficient to support the expanded operation.

Financial and operating statements are not submitted for publication. The company stated early this summer that, while there had been a drop in demand for sulphite, operations were still at capacity.

K.V.P. Co.

The KVP Co., a subsidiary of the Kalamazoo Vegetable Parchment Co., Parchment, Mich., produces bleached, semi-bleached and unbleached sulphate and groundwood pulp in its mills at Espanola, Ont. Paper production includes wrappings, bag stock, waxings, coating, hanging, specialties and a small amount of newsprint.

This year a new parchment processing plant was opened to produce vegetable parchment for use by food manufacturers, processors and householders. A new 55 ft. by 225 ft. building was constructed for this operation. One Pusey Jones parchment machine was installed, and space provided for a second.

The new building, which, with its equipment, cost $800,000, was the major item in capital expenditures of over $1,935,000 during 1951. Kraft production in 1951 was 100,000 tons (90,000 in 1950), groundwood production was 16,000 tons (11,300), and paper production was 33,000 tons (29,500).

Most of company's sulphate pulp production, exceeding 280 tons daily, is exported to the Kalamazoo Vegetable Parchment Co. A portion is shipped to various consumers in the U. S. and Canada, while some is used by the two paper machines operated at Espanola.

The Espanola property of Abitibi Power & Paper Co. was purchased by the parent company in 1943 for $1 million. It launched construction of a bleached sulphate mill in the same year, developed additional water power, built an electrolytic plant for the manufacture of chlorine and caustic, and carried out other improvements. A converting business was set up to provide Canadian distribution for company properties.

In 1945 the parent company bought all the common stock of Appleford Paper Products, Hamilton, Ont. The latter company obtains from Espanola a large part of the paper it uses to make sales books, milk bottle caps, bags, pie plates, printed papers of different kinds, etc.

Company holds licenses on 5,077 square miles of Crown lands with another 630 square miles held under option. About 180,000 cords of pulpwood are required annually; of this, 12,000 cords are used for groundwood pulp manufacture, the balance for sulphate pulp. Sustained yield management of timber properties allows cutting of about 125,000 cords annually, the remainder of requirements being bought from outside cuttings.

Chemical losses were reduced to very low levels following efforts to increase chemical recovery. Turpentine, formerly recovered only for its heat value, is now sold for recovery of its chemical constituents. Study done on reducing fibre losses also yielded "gratifying results."

Company owns the Espanola townsite, and houses are rented to employees. Many new houses have been constructed recently, the company reports, and the town in general is being improved by extensive landscaping. A new high school, a community centre and a curling rink were completed last year.

LongLac

LongLac Pulp & Paper Co. is a wholly owned subsidiary of Kimberly-Clark Corp., Neenah, Wis. It operates a sulphate pulp mill at Terrace Bay, Ont., on the north shore of Lake Superior. The plant was constructed in 1947 and began operations in November, 1948. Its construction was the largest undertaking of the parent company in 20 years.

The mill, on the Aguasabon River, has a daily capacity of 300 tons of bleached sulphate pulp, which is shipped to the U. S. mills of Kimberly-Clark. The mill was built at the southern end of a water system down which logs are floated from timber limits centred at LongLac, some 80 miles to the north, where the company's woodlands department offices are located. Prior to construction of the mill, logs were carried by water to Green Bay, Wis., where they were distributed to various Kimberly-Clark mills. The mill now converts pulp logs to sulphate pulp which is shipped in the same way.

Power is supplied by the Ontario Hydro-Electric Power Commission's 55,000 hp. generator on the Aguasabon River, three miles west of the townsite, on the shore of Lake Superior.

Raw materials are obtained from timberlands formerly under lease to Pulpwood Supply Co. and from enlarged timber concessions, all of which are now under lease to LongLac and are expected to be a continuing source of supply.

Annual reports of the parent company consolidate the activities of LongLac and Kimberly-Clark Corp. of Canada, Kapuskasing, Ont. Fiscal year ended April 30, 1952, was described by Cola G. Parker, president of the U. S. company, as very successful financially as well as from the standpoint of operations. Consolidated earnings of the two Canadian subsidiaries amounted to $3,616,066 after depreciation provision of $2,879,541.

Current assets of the two companies at fiscal year's end were $15,260,694, current liabilities $5,889,209, and consolidated surplus $6,767,682. These figures have been converted to U. S. dollars.

LongLac is building 16 houses at Terrace Bay this year for employees, making a total of some 276 houses erected by it. A hospital built by the company was opened last year.

MacMillan, Bloedel

MacMillan & Bloedel Ltd., Vancouver, was formed Oct. 1, 1951, through merger of H. R. MacMillan Export Co. and Bloedel Stewart & Welch Ltd., on the basis of 57% of stock in the new organization to shareholders of the former company, and 43% to shareholders of the latter.

Company conducts an export lumber business, buying from producers in British Columbia, Washington and Oregon, and selling to importers in various foreign markets. Through its divisions and subsidiaries, it is one of the world's largest manufacturers of timber products. Company controls a fully integrated lumber operation from standing timber to the marketing of a wide range of finished products. It is Canada's largest producer of plywood.

Properties include plywood mills at Port Alberni and Vancouver; sawmills and logging operations at Port Alberni, Vancouver, Chemainus, Deerholme, Jervis Inlet and other B. C. points; sulphate pulp mill near Nanaimo; and the Canadian Transport Co., a shipping subsidiary.

Parent company handles foreign merdchandising, while two subsidiaries, H. R. MacMillan Export Co. (U.S.A.) and MacMillan & Bloedel Sales Ltd., handle sales in the U. S. and Canada respectively.

Consolidated statement of earnings for the two companies. in the period 1946-50 inclusive shows MacMillan Company's net sales and income of $337,299,000 and net income of $33,036,000 after taxes, for the five-year period; equivalent figures for the Bloedel Company were $489,472,000 and $16,837,000.

Consolidated net profit in the year ended Sept. 30, 1951, was $15,611,138, 2.1 times the previous year's net of $7,412,381. Earnings per Class A share, and dividends paid, were $81.99 and 50c ($9.99 and 50c the previous year). On Class B stock, earnings and dividends were $5.46 and 80c ($3.11 and 60c), and on combined A & B, earnings were $5.20 ($2.47).

Gross capital expenditures in year ended Sept. 30, 1951, were $11,128,035. For the current year, $7,260,190 was set aside for additional pulp mill construction, and production at this mill is expected to begin in August, 1953.

Capitalization outstanding at March 1, 1952, consisted of $3,049,000 2¾%-3% serial first mortgage bonds, 1952-59 (after deducting $300,000 maturing in 1952); $2,500,000 4% first mortgage bonds due Sept. 1, 1965; 168,114 n.p.v. non-callable convertible cumulative Class A shares; and 5,117,424 n.p.v. Class B shares.

Marathon

Marathon Paper Mills of Canada operates a high-grade bleached sulphate pulp mill at Marathon, Ont., producing 330 tons per day. Controlling interest in the company is held by Marathon Corp., Rothschild, Wis.

Company has cutting rights on 3,200,000 acres of Canadian pulpwood forests. Factories at Rothschild, Ashland and Menasha, Wis., and Menonimee, Mich., make the pulp into paper.

The Ontario plant was set up in 1946 to give Marathon Corp.'s paper mills and converting plants in the U. S. a dependable source of high quality sulphate pulp for use in the manufacture of paper and paperboard for food packaging, of which Marathon Corp. is a leading producer.

A new chemical plant, part of Marathon's program for complete integration, went into production last month. Described as the only plant of its kind in this hemisphere, and the only one in the world equipped to produce 50% caustic soda simultaneously with sodium sulphide, the new installation will reduce cost of pulp as well as ensuring chlorine, caustic and sodium sulphide supply.

The mill produces its own electric power, and extensive changes were made in existing turbines to handle added load of the new chemical plant. In addition, an extra boiler capable of producing 125,000 pounds of steam per hour, was installed to provide a reserve of power.

Salt, main raw material in the manufacture of chlorine, will be brought to the new mill by Marathon's own lake freight boat, expected to be launched later this year.

Initial tests on bark burning equipment will be conducted this fall, with installation to be completed in 1953. Delays in delivery of material are holding up

(Continued on page 59)

DONNACONA PAPER COMPANY
LIMITED
Woodpulp and Sulphite Pulp Mills, Newsprint,
Donnacona Board and other Pulpwood Products

CAPACITY OF MILLS
102,000 Tons Newsprint
96,000 Tons Groundwood Pulp
60,000 Tons Sulphite Pulp
100,000,000 Sq. Ft. Insulating and Building Board

Head Office — 25 St. Louis St. — Quebec City

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PLAYS A VITAL ROLE

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Welded Machinery Bases and Bedplates
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DESIGN
FABRICATION
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CANADIAN INSTITUTE OF STEEL CONSTRUCTION INC. CISC

The CANADIAN BRIDGE COMPANY *Limited*
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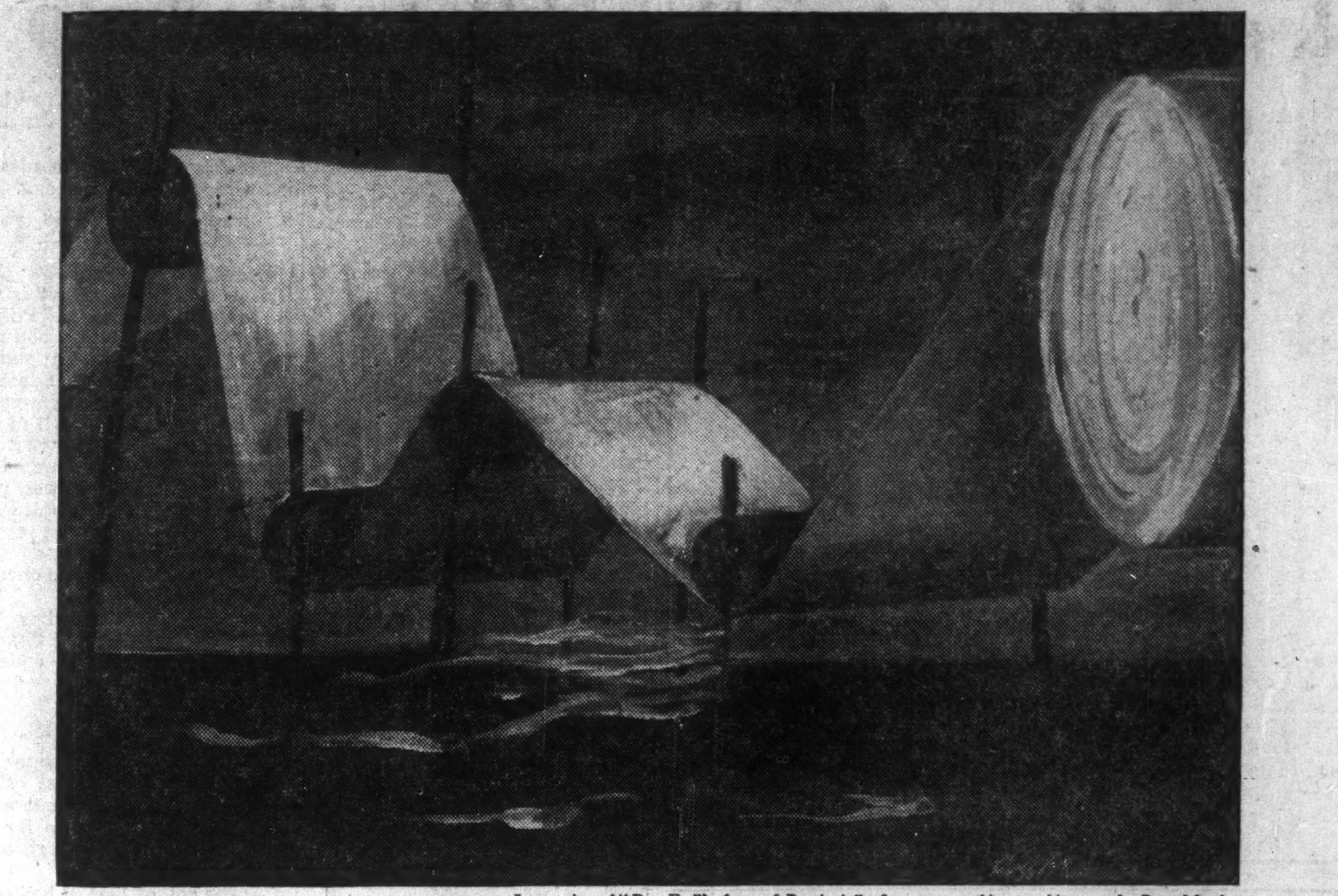


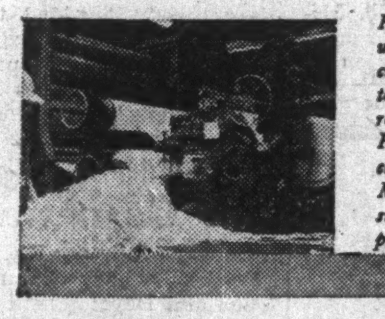
Impression of "Dry End" of one of Provincial's fine paper making machines — by Ross Mendes

IMPRESSION

IMPRESSION . . . strange, lonesome, weird or wonderful. The artist's thought expressed in form and colour, through modern printing and fine paper, brings a fresh vision to thousands of eyes. Your message thoughtfully written and graphically illustrated is only as effective as its final *impression*. This depends, to a large extent, upon the paper you choose.

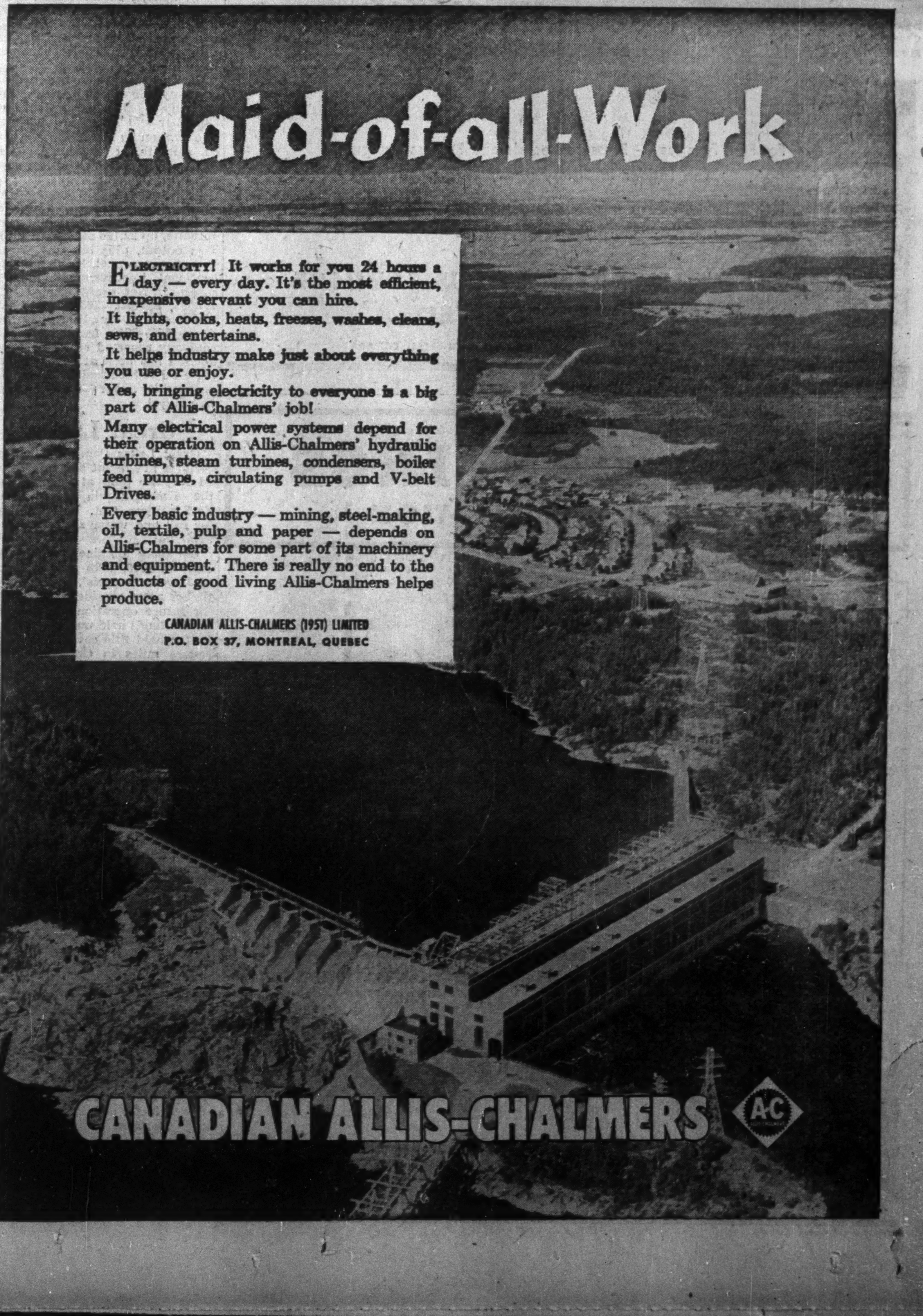
MULTIFOLD ENAMEL for instance, is a fine, coated paper designed to meet today's exacting letterpress requirements, whenever folding is a factor. The selection of the right paper from the many splendid Provincial Papers is an important step toward a compelling, persuasive . . . *lasting* impression.

No. 3 in a series illustrating steps in the manufacture of paper.



Ross Mendes, young Toronto artist used this photograph of one of Provincial's fine paper making machines to create his impression . . . unrestricted as to technical accuracy. He dramatically isolates, gives clarity to his subject. Born in 1927, Mr. Mendes has been painting since 1948, is one of Canada's promising younger painters.

Provincial Paper Limited
TORONTO • MONTREAL • WINNIPEG
Mills at: Mille Roches • Thorold • Georgetown • Port Arthur



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CANADIAN ALLIS-CHALMERS A-C

Here's Report on Wood Pulp Producers

(Continued from page 58)

additions to the evaporator, the company reports.

Wood supply is obtained from company's Pic River and Algoma Township concession, an area of approximately 2,700 square miles.

Since 1945, company has completed a townsite at Marathon with a population of some 2,000. Communication with the town is by rail, water and air. Construction of a highway between Marathon and Terrace Bay, to provide access to the lakehead, was started in 1950, and a passable roadway may be available to traffic by the end of this year.

Total investment in the Marathon project was reported at $33 millions. There is no public investment in the company, Marathon Corp. holding the entire capital stock.

Net earnings for the fiscal year ended Oct. 31, 1951, were $8,801,001, or $6.59 a share, up 34.65% from the previous year's net of $6,536,036 or $4.84 a share. Net sales of $91,552,950 were 48.75% higher than the preceding year's total of $68,269,814.

Minas Basin

Minas Basin Pulp & Power Co. manufactures groundwood pulp and paper board and lumber. Capacity of its Hantsport, N.S., mill is 85 tons bleached, 15 tons unbleached, air-dry tons of groundwood pulp daily. The paper board mill has a 24-hour capacity of 50 tons. Most of the groundwood pulp is sold to Scott Paper Co. in the United States. Installation of a bleaching plant was completed last June.

The company has about 255,000 acres of timber limits and operates two power plants on the St. Croix River with a combined capacity of 7,100 hp. Additional power required is bought from Nova Scotia Light & Power Co.

Its wholly owned subsidiaries include Minas Shipping Co., Mapleleaf Lumber Co., Minas Stevedoring Co., Annapolis Basin Pulp & Power Co. and Portneuf Investments Ltd. Controlled are Bishop Asphalt Papers Ltd., Canadian Keyes Fibre Co. and Minas Transport Ltd. Associated companies include Standard Woodworkers Ltd., Parrsboro Lumber Co., Dartmouth Lumber Co. and Annapolis Valley Canners Ltd.

Shipments of groundwood pulp in 1951 totaled 27,600 tons, up 4,917 tons from 1950. Lumber shipments at 22,373,000 ft. were down 6,620,000 ft. from the previous year.

During 1950 Minas Basin sold a $350,000 issue of 4½% bonds due 1979, proceeds of which were used to finance additions to the Hantsport plant, to pay off the balance due on timberland purchase agreements and for other corporate purposes.

Because of the continued increase in cost of replacing plant and equipment, the company is investing its surplus and depreciation funds in common stocks of Canadian corporations. Policy has been to purchase these securities to hold rather than sell, with sales only to be made when money is needed for corporate purposes. A capital profit of $50,598 resulted from sales of securities in 1950.

North West Pulp

North West Pulp & Power Co., incorporated in 1951, is laying plans for construction of a 200-ton daily capacity pulp mill at Yates, Alta., 123 miles west of Edmonton. Its plans, both for financing and as to the type of pulp to be produced, are currently said nearing completion.

It is expected that the cost of building the mill plus any power facilities that may be required and providing working capital may be in the neighborhood of $30 millions.

An agreement has been completed with the Alberta Government under which the province agrees to reserve an area of pulpwood timber comprising about 2,000 square miles for the company's requirements of a minimum of 75,000 cords annually. The timber lease runs for 21 years and includes the right to renew the lease for a further period.

The agreement provides that plant and equipment are to be in operation by May 1, 1954, and that the plant shall be extended to manufacture chemical or semichemical pulp or both and paper. Expansion for this purpose is to start by May 1, 1959, and shall be completed and the equipment installed by May 1, 1961.

North West Pulp & Paper Co. has 100,000 common shares issued, all of which are owned by New Pacific Coal & Oils Ltd. Frank E. Ruben, president of New Pacific, is also president of North West.

Ontario Paper

Ontario Paper Co., Thorold, Ont., and its wholly owned subsidiary, Quebec North Shore Paper Co. at Baie Comeau, Que., are owned by the Chicago Tribune and the New York Daily News.

The Thorold paper mill produces 585 tons of newsprint daily and the pulp sales plant has a capacity of 120 tons per day, which is sold on the open market. The company also operates Beaver Co. newsprint machine using its own supplies and some of its own staff.

The Thorold Mill also includes a board machine with a capacity of 15 tons per day to provide newsprint wrapper for its own use and for the Baie Comeau mill.

The Baie Comeau plant of Quebec North Shore Co. produces 500 tons of newsprint daily and the pulp sales plant has a capacity of 120 tons per day.

For main report see page 60.

Quebec P. & P.

Quebec Pulp & Paper Corp. discontinued pulp production in 1930 and was placed in bankruptcy in 1952, following a petition of the Quebec Streams Commission on a claim for $1,824,000 for arrears of water dues on the Kenogami reservoir dam. All the company's former pulp mills and timber lands were sold to the Quebec Government in August, 1949, for $1.5 millions. In November, 1949, it was authorized that preferred shareholders would receive $23 per share on delivery of certificates.

The bankrupt estate of the corporation is still to be wound up. Various matters that must be settled with the Trustee and the Provincial Government before final closing of the estate are still pendpending.

Restigouche

Restigouche Co., a wholly-owned subsidiary of Fraser Companies Ltd., manufactures bleached sulphite pulp, for use in papermaking, and dissolving pulp, for manufacturing rayon yarn and staple fibre, Cellophane and plastics. Its mill at Atholville, N.B., has a daily capacity of 195 to 260 tons, depending on quality and grade.

Operating results of Restigouche Co. are consolidated with those of the parent company. During 1951, it was stated in the latter's annual report, all pulp, paper and paperboard products manufactured by Fraser Companies and its subsidiaries were in strong demand. This year there has been a general decline in the demand for pulp and paper products and the company reported in July that the backlog of orders on hand at all plants at the first of the year had practically disappeared.

Consolidated net profit of Fraser Companies for the six months ended June 30, 1952, amounted to $2,478,626, down from $3,067,844 in the same period of 1951.

Howard Smith

Howard Smith Paper Mills Ltd., besides being the largest Canadian producer of fine and specialty papers, has extensive facilities for manufacturing various types of pulp for sale.

The company reported last month that at the then current rates of production some 108,000 tons of pulp annually were available for sale to Canadian, U. S. and overseas markets. This included about 27,000 tons of sulphite pulp, 50,000 tons of soda pulp, 22,000 tons of kraft pulp and 9,000 tons of groundwood pulp.

Plants of the Beauharnois, Cornwall and Crabtree Mills divisions are owned directly by Howard Smith Paper Mills Ltd.; those of the Windsor Mills division through Canada Paper Co.; those of the Merriton and Georgetown divisions through Alliance Paper Mills Co.; and the Toronto Division through Don Valley Paper Co.

In most of 1951, demand for the company's products was greater than capacity to supply, and pulp production was up 13.4% from 1950, while paper tonnage showed an 8% increase. Total sales amounted to $65.9 millions, approximately $14 millions of which were in U. S. funds, representing mainly sales of pulp to American customers.

One of the major items of the large capital expenditure program currently planned is a new sulphate pulp mill at the Crabtree Mills division, to have a capacity of about 40,000 tons annually. It is expected there will be some surplus pulp production available for sale from the new plant, although a large part will be used in the Crabtree Mills plant.

At Cornwall, an extension to the soda pulp mill is expected to be completed late this year and will increase capacity by about 25,000 tons annually. Part of the increase will be used in Cornwall and other divisions, with any balance available for sale.

In 1948-49, Howard Smith Paper Mills acquired a controlling interest in Donnacona Paper Co. Since then, it has increased its holdings of Donnacona shares and at the end of 1951 held 247,592, or 65% of the 376,572 outstanding. Purchase price of these was $5,519,198. Last month, Howard Smith Paper Mills offered 1¼ shares of its common stock for each Donnacona common share. Offer, expiring Nov. 28, is not open to U. S. residents.

St. George

St. George Pulp & Paper Co. operates a pulp mill at St. George, N.B. In 1949, it added a bleaching plant to bleach groundwood by the sodium peroxide process—the first operation of its kind in Canada.

Its mill, at the mouth of the Magaguadavic River, has an annual capacity of 25,000 tons. About 80% of production is bleached and sold under the trade name "Fibrewhite," while the balance is sold in unbleached form. Export sales account for about 99% of total shipments.

Destroyed by fire in 1946, the mill was enlarged and production increased by about 20% when rebuilt in 1948. In addition, it was completely electrified with each machine motor driven individually and more modern pulp machines installed.

Sales in 1951 were up 25% from 1950 but have dropped somewhat this year. Prices are considerably lower and, with the change in the U. S. exchange rate, the difference totals $35 per ton.

At the same time, labor costs are no lower and there have been no appreciable drops in material costs.

History of the St. George mill dates back to 1902 when it was established by New York interests. In 1932, control was acquired by Edouard Lacroix, St. Georges de Beauce, Que., and Senator Page, of Maine. Extensive repairs were made, particularly to the dam, and additional equipment installed. In 1947, Antoine Lacroix of Saint John secured Senator Page's interest.

St. Lawrence Corp.

Production of surplus pulp for sale comprises an important part of the operations of St. Lawrence Corp., large producer of newsprint and kraft papers and container boards. At the beginning of this year, annual surplus pulp capacity amounted to 81,000 tons or 15.2% of the company's total saleable capacity. The $22.2 millions expansion program which St. Lawrence Corp. has under way, however, will mean conversion of a larger proportion of pulp output into finished products. By 1954, therefore, surplus pulp capacity is expected to total only 48,000 tons annually or 7.4% of the larger saleable capacity.

The Dolbeau, Que., newsprint mill can presently produce 30,000 tons of surplus unbleached sulphite pulp annually for sale; the East Angus, Que., kraft container board and paper mill, 5,000 tons of surplus groundwood pulp and 10,000 tons of surplus unbleached sulphate pulp; the Red Rock, Ont., kraft container board mill, 9,000 tons of surplus groundwood pulp and 9,000 tons of surplus unbleached sulphate pulp; and the Nipigon, Ont., mill, 18,000 tons of groundwood pulp. At both East Angus and Red Rock, the company will be able to convert all pulp into finished products on completion of the program.

In 1951, total output of all products amounted to 521,000 tons, up about 40,000 tons from 1950. Consolidated net profit registered a new high and it was stated that a reduction in profits from newsprint as a result of increased costs was largely offset by increased revenues from the sale of surplus pulp products. Earlier this year, however, President P. M. Fox stated that demand for pulp had shown a serious drop.

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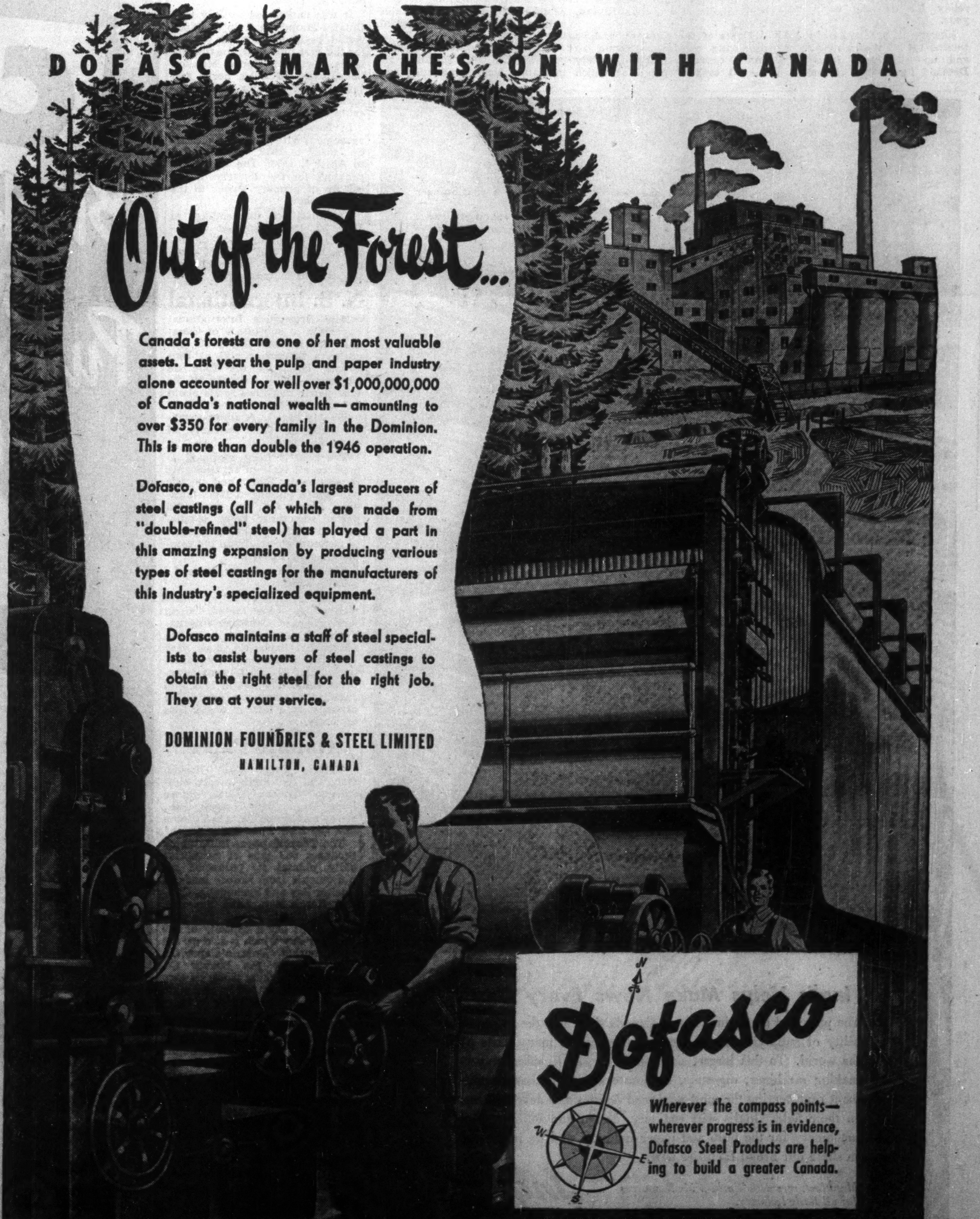

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Dofasco

Wherever the compass points—wherever progress is in evidence, Dofasco Steel Products are helping to build a greater Canada.

Report on the Newsprint Companies

(Continued from page 55)

by Maclaren-Quebec Power Co., another wholly owned subsidiary of Maclaren Power & Paper Co. Last May, it started construction of a new storage reservoir which will provide a more constant flow of water for generating power at the High Falls and Masson generating stations. This will contain 332,000 acre feet of water and will be completed in time to impound the spring run-off.

Mersey

Mersey Paper Co. owns and operates a newsprint mill at Brooklyn on Liverpool Harbor in Nova Scotia. Capacity is 128,000 tons of newsprint annually and the mill is equipped with the necessary groundwood and sulphite equipment for the newsprint making operation. Location of the plant on ice-free tide water permits both deep-water and rail shipments throughout the year.

Combined capacity of its two high-speed paper machines is about 415 tons daily. Power is supplied from the Nova Scotia Power Commission's hydro-electric system on the Mersey River.

The company's 900 square miles of freehold timber lands are estimated to contain about 2.4 million cords of pulpwood. The company purchases a considerable amount of wood from farmers and jobbers. These sources, plus further pulpwood obtainable under a contract with the Nova Scotia Government, provide, at reasonable cost, an adequate supply of wood for indefinite operation.

Through subsidiaries, Mersey Paper owns three steamships to carry its paper and pulpwood. One of these, the T.S.S. "Markland," is to be replaced by a special newsprint carrier of increased capacity, which is to be ready for delivery early next year.

Newsprint production in 1951 totaled 124,117 tons, a new record and up 5,283 tons from 1950. Demand for newsprint remained firm and sales kept pace with production.

The trend of operating costs continued steeply upwards, but earnings before taxes were higher than in 1950. Increased provision for income taxes, however, resulted in a consolidated net profit of $2,723,325, against $3,192,709 the previous year.

Net capital expenditures totaled $1,166,125, including $470,000 of payments on the new ship, and over $525,000 on additions and replacements to mill, machinery and equipment.

During the year, the company capitalized part of its undistributed income under section 95A of the income tax act. Following this, 9,902 4½% cumulative redeemable preference shares, $100 par, were distributed among the common shareholders on the basis of $5 par value of preference stock for each common share held.

At a general meeting of common shareholders held June 16, the preferred share dividend rate was changed from 4½% to 5%. Redemption price was changed to par and accrued, and unpaid dividends from 103 and accrued and unpaid dividends. In addition, the amount payable on winding up or dissolution was changed to par from 103. This was ratified at a meeting on July 2.

Minnesota & Ont.

Minnesota & Ontario Paper Co. produces and markets newprint and specialty papers, kraft, insulating and building material and other timber products in the United States and Canada. It also engages in a number of related activities, including the generation of steam and hydro-electric power for lighting purposes and for use in its plant. In addition its national pole and treating division operates plant facilities in Minneapolis, Minn., and Hillyard, Wash.

Plants of the company and its producing subsidiaries have an annual capacity of approximately 263,000 tons of paper of which 70,000 tons are produced in the United States and 193,000 tons in Canada. The company also has an annual capacity in excess of 400 million sq. ft. of structural insulation board, "Insulite." In addition, about 460,000 squares of insulating siding board processed from Insulite building board are manufactured by others for account of the company for resale to the trade.

Plants are as follows:

International Falls, Minn., which produces groundwood printing and converting papers, bleached kraft and sulphite converting papers, bleached book and writing papers and bleached sulphite pulp in greater quantities than required for its own production. It also produces Insulite.

Fort Frances, Ont., which produced newsprint in both rolls and sheets and groundwood printing and converting papers. Facilities also include a power generating plant.

Kenora Mill which produces newsprint in rolls only and unbleached sulphite pulp in greater quantities than required for its own production.

Other activities:

(1) Supplying but not distributing water for the city of International Falls.

(2) Ontario-Minnesota Pulp & Paper Co. supplies electricity to the distributing systems of Kenora and Fort Frances.

(3) International Bridge & Terminal Co. operates a toll bridge between International Falls, Minn., and Fort Frances, Ont.

(4) Minnesota, Dakota & Western Railway Co. acts as a common carrier railroad serving International Falls.

(5) Rainy River Improvement Co. distributes electric power in International Falls.

(6) Border Publishing Co. publishes a daily newspaper at International Falls and does job printing.

All paper production continues on a six-day week schedule, and insulation board production on a seven-day week schedule, President J. B. Faegre stated in July.

Consolidated net sales in 1951 amounted to $48,403,589 ($51,323,786 in 1950). Consolidated net profit of $5,432,438 was 3.26% higher than previous year's net of $5,260,462. Earnings were $4.22 per common share ($4.09 in 1950) and dividends paid $2.00 ($1.875) in U. S. funds.

Both sales and production reached an all-time high in 1951. Paper and pulp production totaled 285,222 tons compared with 275,451 tons in 1950.

Sales volume for first six months of 1952 was $30,413,213, 3.8% higher than $29,296,428 in the corresponding period last year. Earnings per share were $1.98 ($2.08 in the first half of 1951). Newsprint production was 95,752 (97,921) tons. Demand for newsprint is in close balance with supply, Mr. Faegre stated in July, and demand for other papers is erratic, influenced by excessive customer inventories.

The installation of planned additions and replacements to plant were continuing but deliveries of materials and supplies were slow at last report. During 1951 two broke beaters and a new wood preparing building were completed at the Fort Frances, Ont., plant of company's wholly owned subsidiary, Ontario - Minnesota Pulp & Paper Co. At the Kenora, Ont. mill a new barking drum was installed and pockets of six magazine grinders were widened to obtain additional groundwood pulp.

Major projects scheduled for completion 1952-54 included the modernization of two paper machines, installation of modern groundwood pulp producing facilities, replacement of water wheels, and hydro improvements, all at company's Fort Frances mill.

It was announced in July that Ontario-Minnesota Pulp & Paper would begin logging this winter for the first time from the timberlands north of Upper Manitou Lake, some 70 miles north and east of Fort Frances, Ont. Concession is to be divided into 14 camp operating areas.

In November, 1951, the term agreement with Winnipeg Electric Co., made in 1937, was extended to April 1, 1958. The agreement provides for the delivery of 12,000 hp of primary power to the Kenora plant.

Capitalization outstanding at June 30, 1952, consisted of $6,000,000 4% sinking fund debentures, 1955-66, and 1,286,360 common shares, par $5, excluding shares held in treasury.

N. B. International

New Brunswick International Paper Co., a subsidiary of Canadian International Paper Co., operates a newsprint mill at Dalhousie, N.B., on the Baie de Chaleurs. Daily capacity of its four paper machines totals about 760 tons (234,840 tons annually on a 309-day basis). A wrapper machine has a daily capacity of about 28 tons.

The mill is fully equipped to produce all its own regular pulp requirements. Steam and electric power are purchased from Gatineau Power Co., the purchased power sometimes being supplemented by using purchased steam to generate electricity in the company's own turbine.

Timber limits cover some 1,530,000 acres.

Financial and operating statements are consolidated, along with those of Canadian International, in the statements of International Paper Co. Last year the two Canadian companies turned out 801,256 tons of newsprint, against 774,484 in 1950, and raised the newsprint productive capacity by a total of 35,000 tons annually.

Ontario Paper

Ontario Paper Co., Thorold, Ont., and its wholly owned subsidiary, Quebec North Shore Paper Co., at Baie Comeau, Que., are owned by the Chicago Tribune and the New York Daily News.

The Thorold paper mill, which produces 585 tons of newsprint daily, obtains its pulpwood requirements from timber lands at Shelter Bay and Franquelin, Que., and Heron Bay, Lake Superior, and Manitoulin Island. The pulp sales plant has a capacity of 120 tons per day which is sold on the open market. Ontario Paper Co. also operates the Beaver Co. newsprint machine using its own supplies and some of its own staff.

The Thorold mill also includes a board machine with a capacity of 15 tons per day to provide newsprint wrapper for its own use and for the Baie Comeau mill.

A subsidiary, Quebec & Ontario Transportation Co. operates a line of lake boats on the Great Lakes and the St. Lawrence River, moving pulpwood and other raw material to the mills and newsprint to New York and Chicago.

The Baie Comeau plant of Quebec North Shore Co., produces 500 tons of newsprint daily and the pulp sales plant has a capacity of 120 tons per day.

The Thorold plant manufactures alcohol from waste sulphite liquor with annual output about 800,000 gals. This quantity is absorbed by Canadian manufacturers of commercial products ranging from anti-freeze to pharmaceuticals.

A new venture undertaken by the company is the manufacture of vanillin from the lignin in waste sulphite liquor, and a new plant has been built at Thorold to produce vanillin and will be in operation before the end of 1952. The $1 million plant will produce approximately 400,000 lb. of vanillin annually.

Company's intention, said President & General Manager Arthur A. Schmon, is to produce vanillin, now in short supply, in sufficient quantities to permit its widespread use as an industrial chemical, instead of its present limited application as a flavoring agent in the baking, ice cream, confectionery, tobacco and perfume industries. A vigorous research program to promote full utilization of vanillin and the new pro-

(Continued on page 62)

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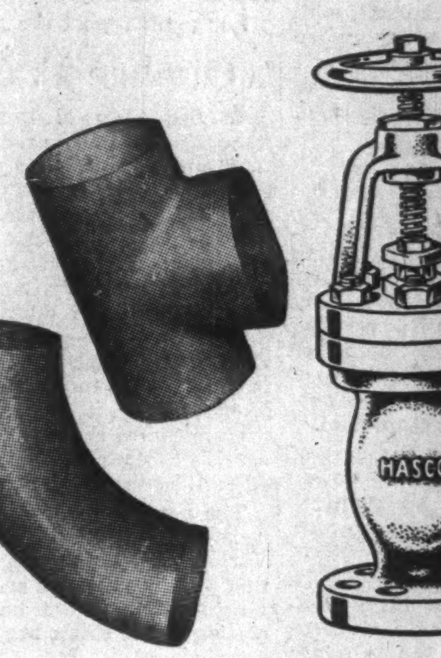

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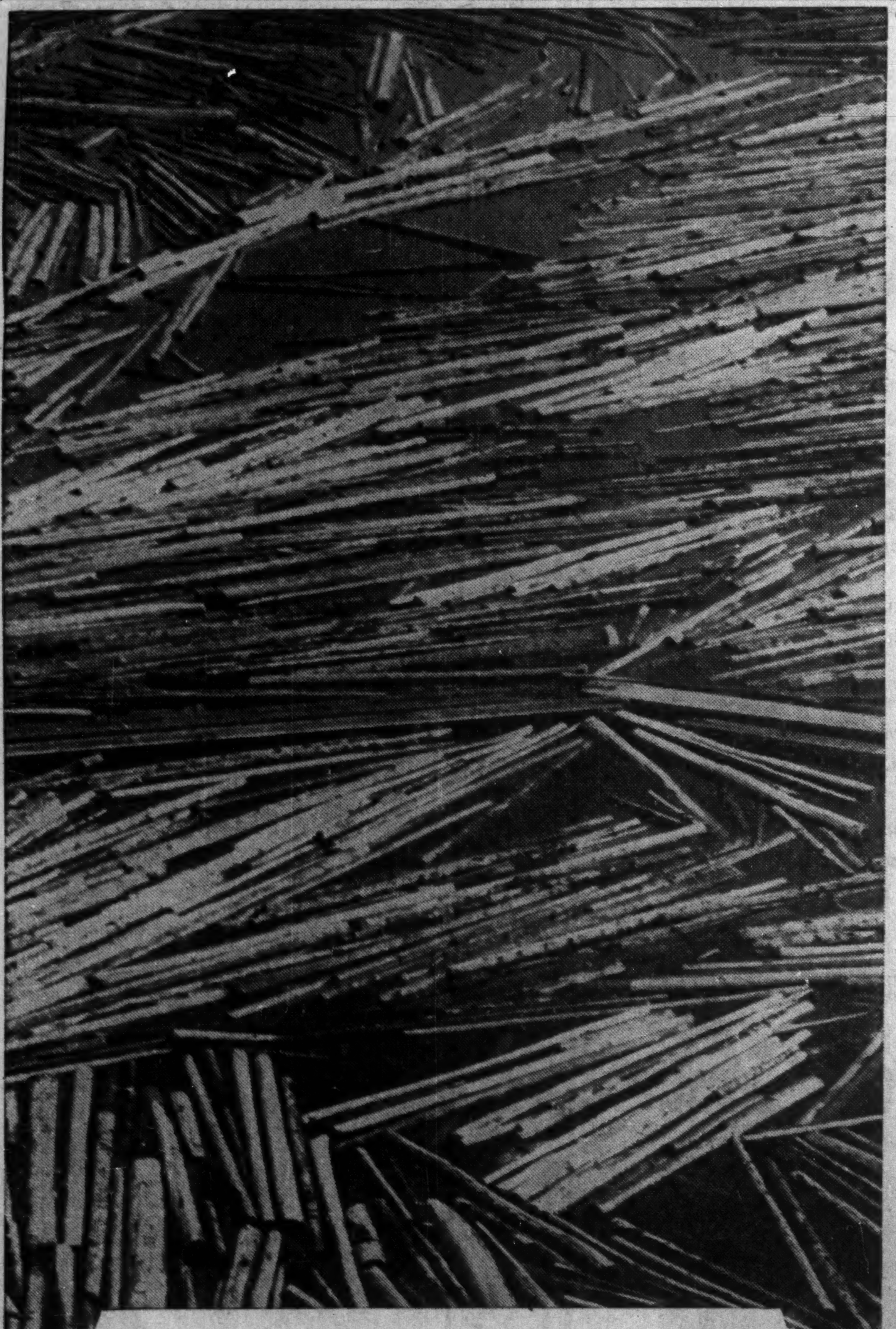

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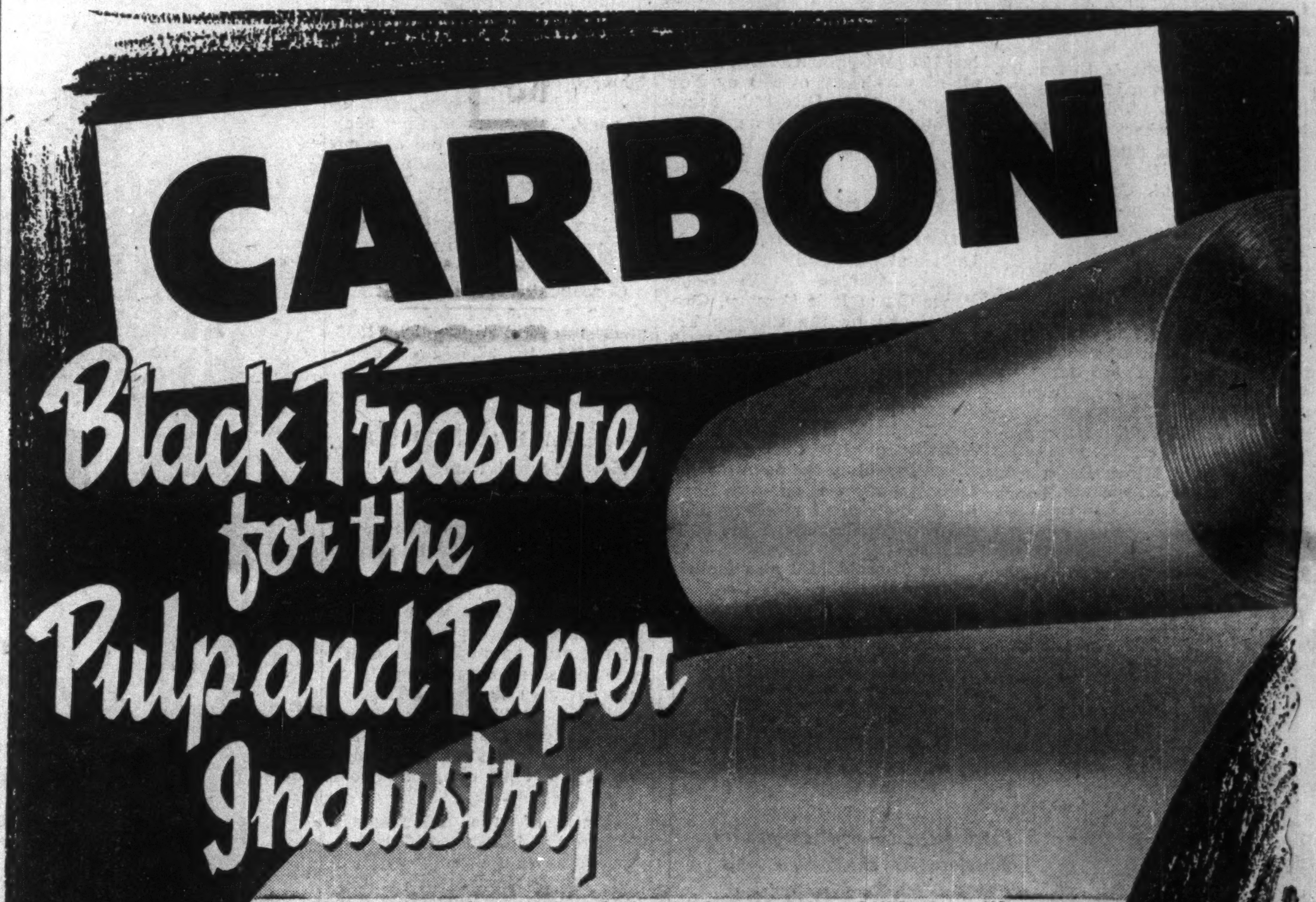
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C13-52

B.C.'s Forest Management License Plan And How It Works for New Newsprint Mill

By R. J. FILBERG
Vice-president, Elk Falls Co. Ltd.

How does British Columbia's Forest Management License work? What are West Coast mills doing on salvage operations? Here is a statement on these problems by R. J. (Bob) Filberg, vice-president of Elk Falls Co., which next week will officially open its new newsprint mill at Duncan Bay. Mr. Filberg, in 1943, interested the B. C. Forest Service in the "Ladysmith Experiment" described in this article.

Duncan Bay Forest Management License is located on Vancouver Island and islands in Johnstone Straits. No virgin timber, only logged off lands are involved in this Management License.

The Management License area comprises approximately 370,628 acres, 237,475 owned by the Crown and 133,475 owned by Canadian Western Lumber Co. The Crown granted the company right to grow trees on this area. The company is to pay all costs and assume all risks and expenses in connection with keeping the area continually growing trees, and is to pay the Crown 16% of the value of all reproduction removed from the area.

No reproduction can be cut from Management License until 1974. Thereafter the area will produce 15 million cubic feet of timber per annum in perpetuity on a sustained yield basis.

The company was obliged to build a newsprint or pulp plant of 100,000 tons per year capacity at Duncan Bay and all pulpwood from Management License must be processed there.

Until 1974 when wood from Management License becomes available the Duncan Bay Plant will operate on material from Canadian Western Lumber Co. operations, such material to consist of small wood, cull logs, sawmill waste, etc., hitherto considered waste.

The purpose set out in the creation of Duncan Bay Management License was to sustain employment in established communities dependent on forest industries, prove that greater utilization of wood from our forests is possible and practicable, make growing of trees economically sound and good business, and start a large scale forest industry on a sustained yield basis.

Canadian Western Lumber Co. owns other timber lands tributary to Duncan Bay not included in this Management License. As tree farms, these areas will contribute to the expansion of the Duncan Bay plant.

Duncan Bay is strategically located for a large supply of tree farm wood from farmers and small independent operators who can deliver cordwood direct to the plant in trucks as they would hay or potatoes. The plant is designed to operate and expand by use of small trees.

The Duncan Bay project paints the picture of the future. As virgin stands of timber are depleted reproduction will take its place. No place on earth does good quality timber grow faster than in British Columbia's Coast area. Soil and climate conditions are about perfect for growing timber. Our greatest wealth lies not in virgin forests but in the tree-growing capabilities of our soil and climate. With greater utilization, reforestation, protection from fires, increasing values and greater markets our timber industries will expand and grow, providing more employment and greater revenue to the State. The old bogy of "what will happen when our timber is gone" is disappearing. If we increase utilization rapidly and as economically as possible, keep our forest lands growing trees at full capacity and prevent destruction of old and growing forests by fire, nothing can stop expansion of the timber industry.

Salvage Operations

Until comparatively recently our timber was considered to be practically inexhaustible. From the Atlantic to the Pacific, vast areas of fine timber were deliberately burned to make settlement and farms. Farther west there was always more timber. Fires, sawmills, and settlements depleted the great forests of the Atlantic Seaboard, the middle west, the inland empire, but farther west there was always plenty more timber. When transportation facilities permitted exploitation of Pacific Coast timber any thoughts there may have been regarding a shortage of timber were over.

At the turn of the century liquidation of Pacific Coast timber was just getting started. Prices for forest products were low but timber was very cheap and the quality excellent. The best trees could be liquidated profitably. Poorer trees and less valuable species of timber were not worth considering.

From 1900 to 1940 most of the Pacific Coast forests which had been considered inexhaustible were depleted by fire and logging. There were no more great virgin forests farther west. In the early 1940's it became apparent there was actually a shortage of timber for existing forest industries. Suddenly trees and forests previously considered of little value became valuable. Through all this period of heavy liquidation and devastation by fires, one species of timber was considered least valuable, Western hemlock. This species took up a lot of space in the Pacific Coast forests but was of so little value it was hardly worth logging. Fir, cedar and spruce were the valuable species. Hemlock was left on the ground to rot, or partially recovered and sold at a low price for pulp and paper manufacture.

Use of Hemlock

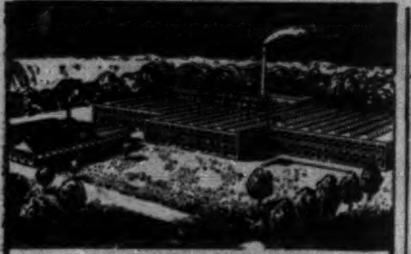
On the Pacific Coast the ratio of hemlock in a forest increases with elevation. As the lowlands were logged and operations moved higher into the mountains the ratio of hemlock increased. During the 40's there was not sufficient fir, cedar and spruce on lands being logged to supply demands for lumber, so methods were developed for making good lumber from hemlock. Also the pulp industry expanded and learned that no other timber makes better or more valuable pulp or paper than Western hemlock. This all happened suddenly. Hemlock the poor relative in Pacific Coast forests became the Cinderella tree.

Because only hemlock and cedar will germinate and grow in the shade of larger trees, the small trees in the Pacific Coast forests are hemlock and cedar, principally hemlock. In the operation of falling and logging large trees, the small trees are knocked down or broken. These small trees are left on the ground with broken, faulty trees, tops, limbs, etc. This debris is commonly termed logging slash. Equipment employed in logging large trees cannot be used efficiently to recover small and broken trees left in the slash.

Everyone in the timber industry has deplored the waste of leaving small and broken sound trees to burn and rot after an area of virgin timber had been logged for recovery of the lumber logs. With increasing uses for hemlock and increases in values, Comox Logging & Railway Co., a subsidiary of Canadian Western Lumber Co., decided to try an experiment of recovering small hemlock trees left on the ground after logging, for making pulp and paper. In 1943 Comox Logging & Railway Co. interested another company and the Provincial Government is making the experiment. The Comox Company produced the small trees, the other company processed them into pulp, and the Provincial Government's Forest Branch kept data on the entire operation. This operation, known as the Ladysmith Experiment, was the first operation of any consequence in this recovery and utilization field. For want of a better name the material recovered was termed salvage wood.

The Ladysmith Experiment was not profitable financially but much valuable information was derived from the experiment. It was found that new types of equipment, methods of logging, booming, transportation, etc. would have to be devised if recovery of small trees left after logging was to be profitable.

Following the Ladysmith Experiment, Comox Logging & Railway Co. continued to experiment. For the past several years salvage logging has been on a substantial, commercial and profitable basis with Comox Logging and Railway Company. New methods, different equipment, increased values and a lot of grief has paid off. Wood which a few years ago was left in the woods as valueless will for many years provide pulpwood requirements for the new paper plant at Duncan Bay and provide employment for hundreds of persons.



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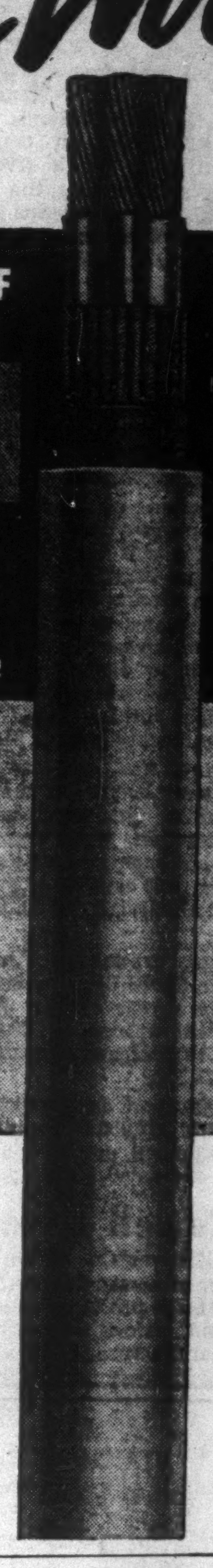

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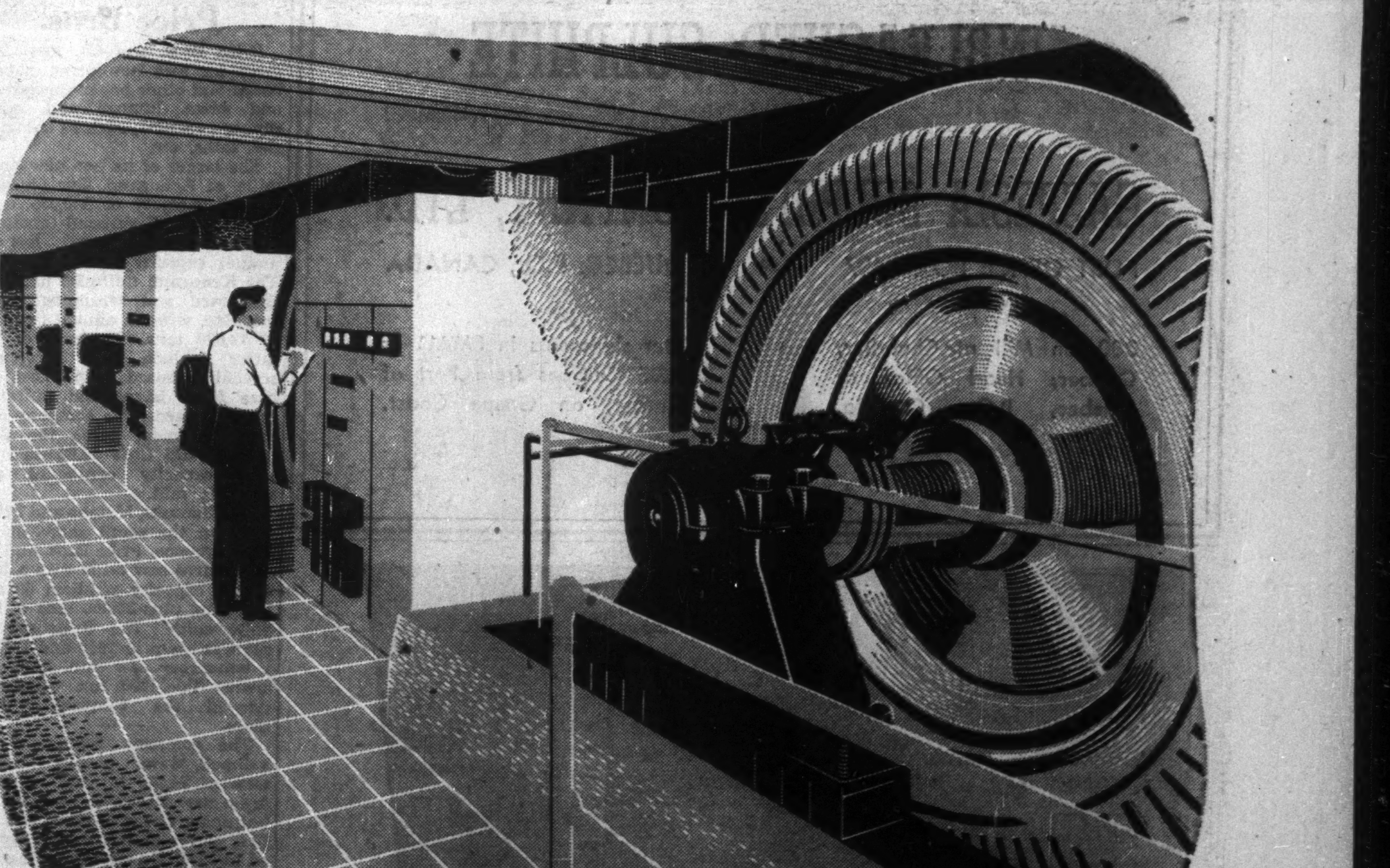

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Report on the Newsprint Companies

(Continued from page 60)

ducts in industry is being pursued, Mr. Schmon declared.

Financial and operating figures are not submitted for publication as there is no direct public interest in the company.

Pacific Mills

Pacific Mills Ltd., a subsidiary of Crown Zellerback Corp. of the United States, operates pulp, paper and lumber mills at Ocean Falls, B.C., and a paper converting plant at Vancouver. Through a subsidiary, Canadian Boxes Ltd., in Vancouver, it manufactures corrugated and solid fibre shipping containers.

The company joined with Canadian Western Lumber Co. in 1950 to form Elk Falls Co. and build and operate newsprint mills at Duncan Bay near Campbell River, Vancouver Island, B.C. (See above report on Elk Falls Co.)

Pacific Mills Ltd. invested $4 millions in the common stock of Elk Falls Co., and jointly with the Canadian Western Lumber Co. agreed to purchase additional Class B common shares if proceeds of securities of Elk Falls were insufficient to complete construction and provide initial working capital of not less than $2 millions. Under this agreement, Pacific Mills paid $550,000 for an additional 55,000 shares subsequent to April 30, 1952. Additional funds, though not material in amount, may be required for the same purpose, President Paul E. Cooper stated in June.

In 1951, new records were set in production, sales and income before taxes, with sales 11% higher than in the previous year. Costs also rose—labor 23% and logs 27%. To alleviate the labor shortage, company recruited 151 unskilled employees from the British Isles.

Net profit in year ended April 30, 1952, was $4,010,547, 6.1% less than previous year's $4,273,060. Earnings on preferred stock were $200.64 per share ($213.77 in previous year), and dividends were $6 ($6). Earnings on common shares, adjusted for a five-for-two stock split during the year, were $5.19, and dividends $2.00. For the previous year, earnings on the old stock were $13.84 and dividends $5.

Capital expenditures during the fiscal year amounted to $3,023,000. Items included $410,000 for completion of new sawmill; $106,000 for hydraulic barker installation; $388,000 for a dormitory; $724,000 for logging equipment; and $354,000 for logging roads.

Construction of a residential subdivision of 30 homes and commercial area was launched by the company at Martin Valley, one mile from Ocean Falls townsite. Company plans to sell building lots to employees at a nominal price and to install necessary services. Estimated cost of the subdivision, initial stage in a broad community plan, is $108,000.

Company has applied for a management license in the Bella Coola valley. This would provide, in conjunction with company's present holdings in that area, an operating unit capable of sustaining an annual cut of 20 million f.b.m.

Working capital on April 30, 1952, was $8,493,334, up 13% from $7,517,174 a year earlier. Inventories were valued at $8,486,536 ($6,378,815). Earned surplus stood at $24,073,350.

Capitalization outstanding consisted of $1,998,900 6% cumulative preferred stock, par $100; and $7,500,000 ordinary stock, par $10.

Powell River

Powell River Co. is the largest producer of newsprint on the west coast, a large producer of sulphite pulp, and, through its subsidiaries, a manufacturer of lumber and other wood products. Company has complete control, through wholly owned subsidiaries, of its production from the standing tree to the finished product.

The company operates at Powell River, about 80 miles north of Vancouver on the B. C. coast. Products are used principally in Canada, the U. S. (California, Texas, Arizona and the Puget Sound area), Alaska, Hawaii, Australia, New Zealand, the Orient and the United Kingdom.

In October, 1951, company purchased the British Columbia Manufacturing Co. and its associated companies — Westminster Shook Mills Ltd., Maple Ridge Lumber Co., and Salmon River Logging Co. This group of companies holds more than two billion feet of timber on the northern part of Vancouver Island, across from Powell River's mainland holdings. This includes a forest management license tract of about one billion feet.

In addition, Powell River Co. owns or controls more than 460,000 acres of high grade standing timber estimated to contain about 6.75 billion board feet, located along the north coastal area and the Queen Charlotte Islands.

Hydro-electric developments of the company total 95,000 horsepower, consisting of a 53,000 hp installation at Powell Lake watershed and a powerhouse on the Lois River watershed adjacent to the mill with two units of about 21,000 hp each. Company also has an auxiliary steam plant of 7,200 hp.

Company is already realizing benefits from certain projects of its $12 million mill modernization and development program, which is nearing completion. Some of the major items in the program are waterfront development, dredging and improved facilities; speed-up of paper machines (a record run of 1,070 tons of newsprint in 24 hours was made in June); sawmill modernization and improved facilities, and increased equipment in the barker mill; steam plant extension with new boiler of 200,000 lb. high pressure steam per hour capacity; extension to groundwood mill in which additional grinders of a new type will be used; installation of new turbo-generators for additional power; replacement of transmission line from Louis River to Powell River with steel-towered double-circuit line and complete modernization of electrical distribution systems.

Company is investigating possibilities of establishing jointly with the Aluminum Co. of Canada a newsprint and/or pulp at Kitimat, B.C., President H. S. Foley stated last May. Company has also applied for a forest management license in the Kitimat area through Hecate Development Ltd., a company owned jointly by Alcan and Powell River.

Consolidated net profit for 1951 amounted to $9,680,479 down 5.2% from the 1950 net of $10,206,417. Depreciation and depletion were $3,497,126 ($2,345,556 in 1950) and income taxes were $10,030,000 ($7,436,000).

Earnings on new ordinary shares, adjusted for three-for-one split in 1951, were $2.30, and dividends paid were 60c. Earnings in 1950, not adjusted for split, were $7.59, and dividends $2.50.

Production of newsprint in 1951 was up 3,625 tons to a new high of 298,388 tons.

Net profit for the six months ended June 30, 1952, was $3,650,933 or 87c per share, a decrease from $4,245,914 or $1.05 (after 1951 stock split) for the comparable period of 1951. Increased costs, the change from a profit to a loss on U. S. exchange, and a higher rate of income tax accounted for this drop, the president declared. The figures are subject to audit and year-end adjustment, and include operations of subsidiaries for five months only.

Newsprint production and sales were at maximum levels during the first half of 1952. Production totaled 150,095 tons, compared with 149,153 for the same period in 1951. Capacity production is expected for the balance of 1952. While the increase in the price of newsprint shipped to the U. S. will help offset the rise in production costs and the loss on exchange, Mr. Foley said, the market for unbleached sulphite has weakened and prices are substantially lower in the third quarter.

Capitalization outstanding at Oct. 1, 1951, after three-for-one stock split, consisted of 4,034,085 npv ordinary shares.

Price Bros.

Price Bros. and Co. manufactures for sale newsprint, paperboard and other paper specialties, and sawn lumber and other timber products, such as shingles, ties, laths, etc.

The larger of its two newsprint mills, at Kenogami, Que., has an annual capacity of 240,000 tons. The other, at Riverbend (about 23 miles from Kenogami), has an annual capacity of 215,000 tons. The Kenogami mill also houses a cardboard and wrapping paper machine, with an annual capacity of 17,000 tons. Products of the latter include mill wrappers, screenings board, pulp board, egg case filler board and imitation leather board. The company also operates under lease the Jonquiere Pulp Co.'s 30,000-ton annual capacity cardboard and specialty mill.

At Rimouski, Matane and Priceville, on the south shore of the St. Lawrence, Price Bros. and Co. owns three saw mills with a total annual capacity of about 60 million fbm, plus 30,000 tons of sulphite chips. The Rimouski log cut was sawn in 1950 and 1951 at a temporary saw mill, built following the 1950 fire which destroyed the company's mills there.

The company has eight developed water powers with a total of 74,200 hp and is building a new 70,000 hp plant on the Shipshaw River from which the first power deliveries are expected in 1954. No new financing will be needed for the addition.

In its own right or through subsidiaries the company owns and controls some 7,521 sq. miles of leasehold crown lands and 186 sq. miles of freehold lands, most of this timber area located on watersheds tributary to its principal plants on the Saguenay and St. Lawrence Rivers. The Quebec government has constituted a 30-year forest reserve tributary to the Priceville and Matane mills, which assures the company sufficient wood for operation in perpetuity.

Markets for all products were satisfactory in 1951 and mills continued to operate at capacity throughout the year, with shipments of pulp and paper products totaling 489,730 tons, shipments of lumber 60,480,000 board feet. Consolidated net earnings rose to $21,427,220 ($18,398,972), but income tax provision was sharply higher at $9,975,000 ($6,500,000 and net profit was down 7.3% at $8,568,558 ($9,237,564).

Shipments for the first quarter of 1952 showed a gain from the same period of last year. Chairman H. J. Symington noted, however, that production costs had increased alarmingly and said that these increases could no longer be taken care of by improved manufacturing methods, nor could they all be met by price increases, which must bear

(Continued on page 64)

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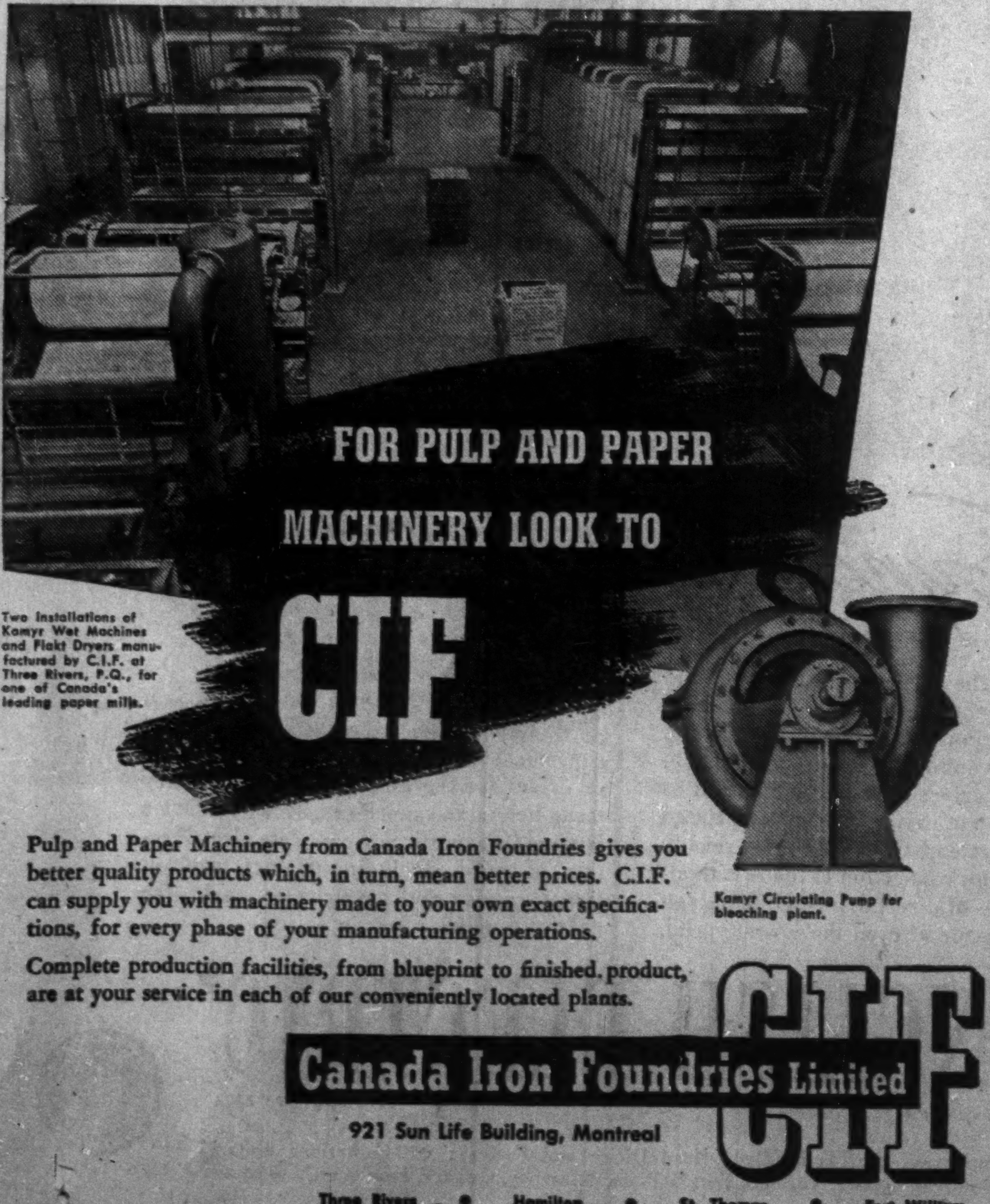

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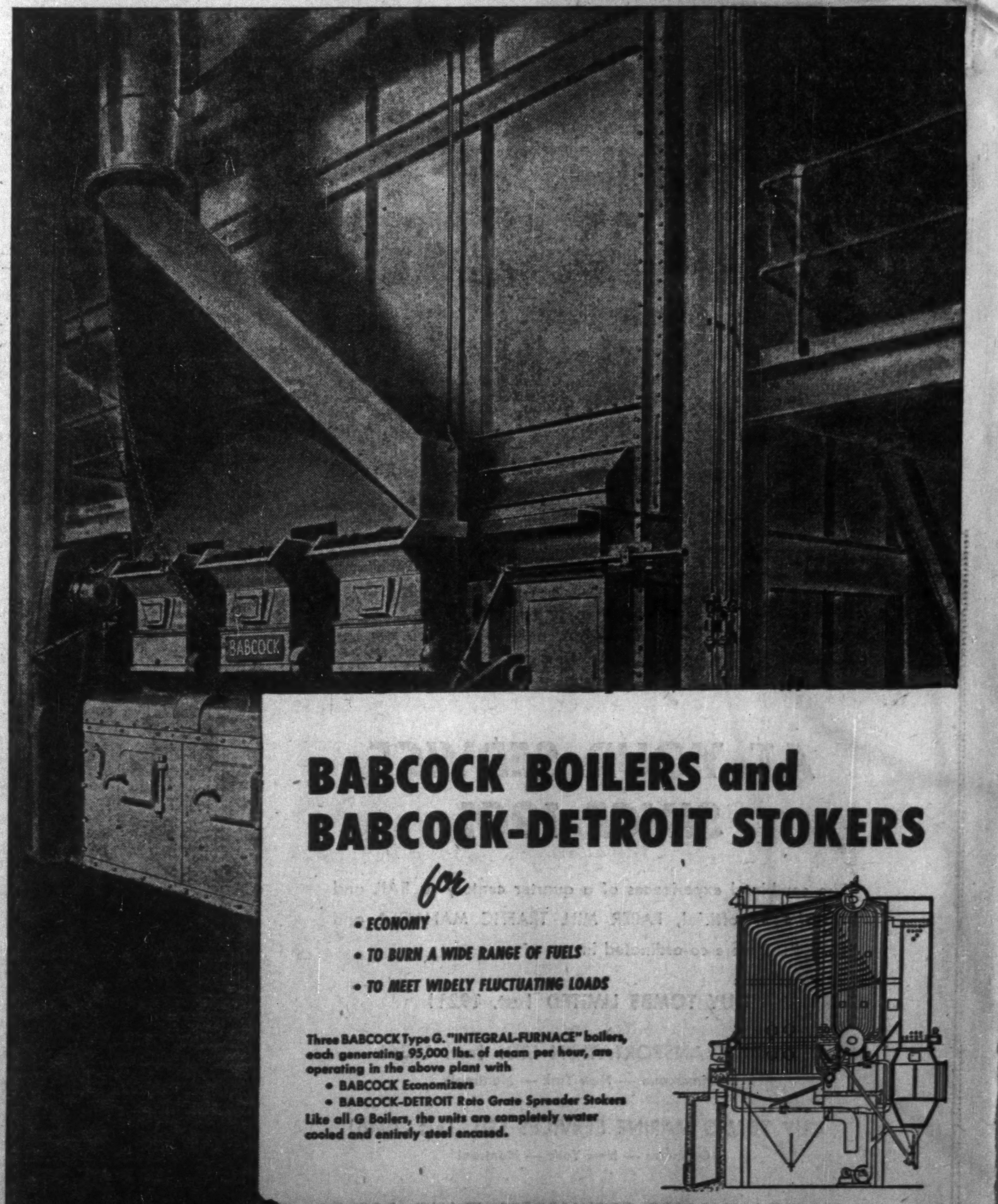

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New Forest Wealth for Nfld.

Major Expansion Under Way and Planned

By RUPERT JACKSON

Newfoundland's pulp and paper industry continued to zoom in the past year as both major pulp and paper mills in the province met with high demands for their products. At the same time both mills continued major expansion programs.

Besides existing mills other interests kept a close watch on the virgin timber areas of Labrador, and talks in connection with the development of these forests are now under way between the Newfoundland & Labrador Corp. and various American and other interests.

In Labrador the main interest is being shown in the possibility of establishing a pulp and/or paper mill in the vicinity of Lake Melville. One or two promoters have broached the idea of selling the wood raw in cord logs, but Newfoundland & Labrador Corp. (Nalco) doesn't want to do that except as a last resort. Nalco would much prefer to have a mill to process the raw wood right in the territory in which it is cut.

N. Y. Group Interested

In this connection talks are now under way with a major New York group who are willing to investigate the possibility of establishing a paper mill in the area. Such a mill would cost about $75 millions, and an additional $25 millions would be needed for power and other facilities.

The timber stands of Labrador, according to the Photographic Survey Corp. of Toronto, contain some 40 million cords of timber, but all of this is not capable of economic development. Total cordage of merchantable timber is estimated at about 26 million cords.

All of this 26 million cords is easily accessible and is prime timber. It can be cut in perpetuity on a sustained yield basis. It is all located on or near rivers and lakes, making it comparatively easy to drive the timber out to a central point. All the commercial timber is concentrated in the Grand Lake, Hamilton and Kenamu River watersheds.

But because Labrador is so remote and so undeveloped, it is necessary to do a lot of preliminary work to develop the timber stands, and in this connection Newfoundland & Labrador Corp. is spending considerable time in getting all the facts available on the timber areas. It is expected that there will be some definite development in the Labrador area by the turn of this year.

• Bowater's Production

Down in Newfoundland the two presently existing paper mills are going on full production, with Bowater's (Newfoundland) Pulp & Paper Mills at Corner Brook working seven days a week.

For the 12-month period from July 1, 1951, to June 30, 1952, Bowater's production totals were:

	Tons	Prev. Yr.
Tot. newsprint	304,000	286,000
Exp. sulphite	42,000	41,000
Groundwood	3,000	2,500
Tot. prod'tion	349,000	329,500

The increased production for 1951-52 is mainly due to the fact that during this year the mill unions agreed to work Sundays to produce an extra 15,000 tons of newsprint to help meet the world shortage. The remaining increase is the result of improved operation of the No. 7 Machine.

There is at present a new program of modernization and expansion being carried out in the Corner Brook mill. This program will continue over the next two or three years and will cost some $4 millions. It is expected that when the improvements are completed the mill efficiencies will be raised to the point where it will be possible to increase production by about 50 tons of newsprint per day and 20 tons of export sulphite per day.

The Program

Here are the improvements planned under the expansion program:

(1) Extension to the digester building for two digesters, but only one digester will be installed at this time, together with the necessary auxiliary equipment.

(2) The four existing wooden sulphite blow pits will be removed and replaced with a reinforced concrete blow chest and a reinforced concrete sulphite storage chest with modern circulating equipment. The existing blow pit room roof will be raised to provide a new sulphide screen room over the above chests for the necessary screens, filter washers, thickeners, pumps and other equipment.

(3) The existing wooden sulphite storage and broke chests will be removed and replaced with reinforced concrete stock chests for groundwood and broke with modern circulating equipment.

(4) The existing wooden white water chest in the sulphite mill will be replaced by a reinforced concrete chest.

(5) New chlorinator building.

(6) An extension to the existing boiler plant to house a new high-pressure boiler having a rated generating capacity of 140,000 pounds of steam per hour, together with a steam turbo-generator set having a rated capacity of 6,000 kilowatts of electric power. It has been decided to install this turbo-generator set for standby power to meet the increased power requirements of the mill and other customers in years of low water at the Bowater's hydro-electric plant.

(7) A new 36-in. diameter cast iron water main from the intake to the mill to provide the increased demands for fresh water and a new intake to the mill fire pumps.

In addition to these actual mill improvements, Bowater's also has a program for the construction of two new paper carriers for delivery in 1954 and 1955. These ships will be capable of carrying 5,500-6,000 tons of paper.

At Anglo-Newfoundland

In Grand Falls, Anglo-Newfoundland Development Co. is continuing its program of mill rehabilitation. This program, which began in 1949, is expected to be completed in 1953. Total expenditure so far has been $8 millions and a further $4 millions is expected to be spent this year.

The program is paying off in increasing the mill's rated capacity. In 1950 the rated capacity of the mill was 189,726 tons; in 1951 this was raised to 193,116 tons. By the end of this year it is expected to be 210,120 tons, and when the program is completed next year rated capacity is estimated at 230,000 tons of newsprint and 23,000 tons of dried sulphite.

Actual production of the Grand Falls mill for 1951 and estimated production for 1952 is as follows:

	1951 actual tons	1952 est. tons
Newsprint	220,290	226,500
Dried Unbleached Sulphite (air dry)	6,390	7,000
Lapped groundwood (air dry)	2,078	...
Wrappers	4,476	4,500

In progress since 1949, the rehabilitation program has seen the completion of installation of Waterous Great Northern Grinders at Grand Falls; the conversion of the steam plant from coal burning boilers to oil burning units; improved ventilation and exhaust systems in all machine rooms and the speeding up of all seven paper machines.

Now moving toward completion are several other phases including, installation of four 5,500 hp hydraulic turbines at Grand Falls; a complete new wood handling system being brought into operation; agitation in mill stock chests will be improved; Bishops Falls groundwood mill will be closed and converted into a power producing plant; three new digesters will be installed, and the finishing room will be redesigned.

Already the rehabilitation program has resulted in cut costs. Through the program A.N.D. Company's properties are being put into good, modern physical condition and consequently, the company's position in the industry as a whole is being improved. Good demand for its products is being predicted for the foreseeable future.

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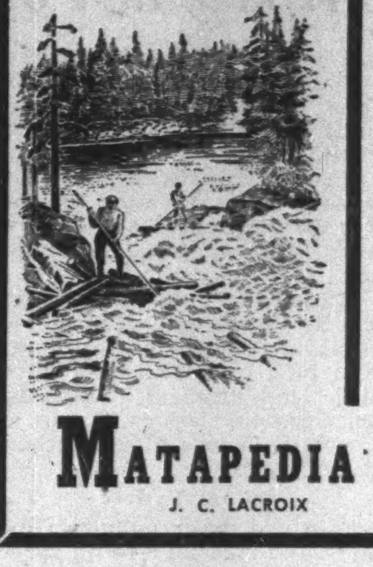

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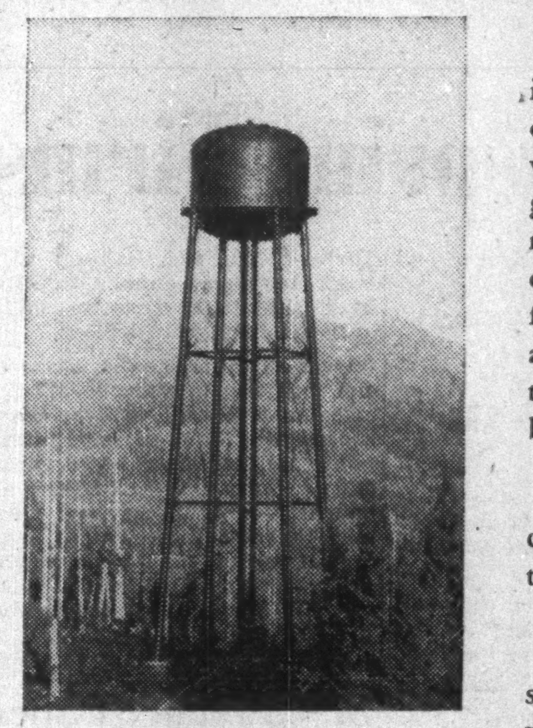

100,000-gal. Horton elevated tank at the Columbia Cellulose Company Limited's mill at Prince Rupert, B.C.

Many pulp and paper mills are installing Horton elevated steel tanks like the one shown at the left to supply gravity water pressure for fire protection and general service. Tanks used in this manner have dual piping which allows a certain amount of water to be used for general service and holds in reserve a quantity of water sufficient to supply the automatic sprinkler system in the buildings.

The tank in the view at the left has a capacity of 150,000 gals. and is 100 ft. to the bottom. It is of welded construction.

When considering the installation of an elevated tank, write our nearest office for information or tenders.

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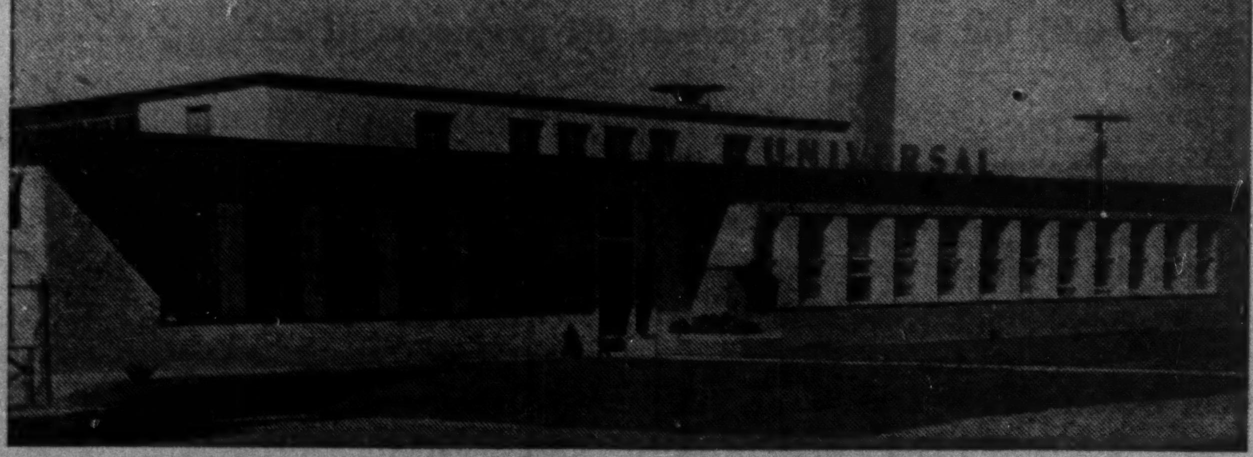

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Pulp and paper makes more jobs than any other industry. It stands first in production, exports, wages paid, and investment. Pulp and paper generates more than one of every ten dollars of the income of every Canadian.

PULP & PAPER INDUSTRY of CANADA
130 MILLS, SMALL AND LARGE, FROM COAST TO COAST

Broad Maritime Pulp, Paper Growth

At $117 Millions, Output Tripled in Postwar Years

Canada has been setting a stiff pace in pulp and paper expansion since the war. And the section of the industry located in New Brunswick and Nova Scotia has been keeping well up with the leaders.

Maritime firms have built new mills, expanded and improved existing facilities, broadened their range of products. As a result, gross value of pulp and paper output more than tripled in the seven years 1945-51, rising from $41.5 millions to an estimated $117 millions. Gain for Canada as a whole in the same period was from $398.8 millions to an estimated $1,200 millions.

Further additions and improvements are still under way.

The largest is the program to completely rebuild and expand the old pulp mill owned by Irving Pulp & Paper Ltd. at Fairville, N.B., just outside Saint John. It will cost some $18 millions. Daily capacity for producing bleached sulphite pulp is presently between 130 and 140 tons; by the end of this year, the phase of the job calling for an increase in sulphite capacity to 200 tons daily is expected to be finished. Then work will start on the installation of equipment capable of turning out 250 tons of bleached kraft pulp daily. The kraft capacity will be located under the same roof and is expected to be completed and in operation by early 1954.

Programs Complete

Most of the large Maritime firms, such as Bathurst Power & Paper Co. and Fraser Companies Ltd., have pretty well completed their major postwar expansion programs (they each built new mills in New Brunswick). Capital expenditures of the former totaled $8.2 millions, of the latter $26.4 millions, from 1946 to 1951. There are still a number of projects under way or recently completed, however.

Bathurst Power & Paper has now practically finished modernization of its boxboard machine at Bathurst, N.B., which is expected to boost output of boxboards by about 10,000 tons a year. Work on its No. 3 machine, involving installation of a new fourdrinier section and extension of the heating and ventilating system, was started in 1951 and will be completed towards the end of this year.

Minas Basin Pulp & Power Co., which turns out groundwood pulp and other products at Hantsport, N.S., completed installation of a bleaching plant in June. Its daily capacity is now 85 tons of bleached, 15 tons of unbleached, groundwood.

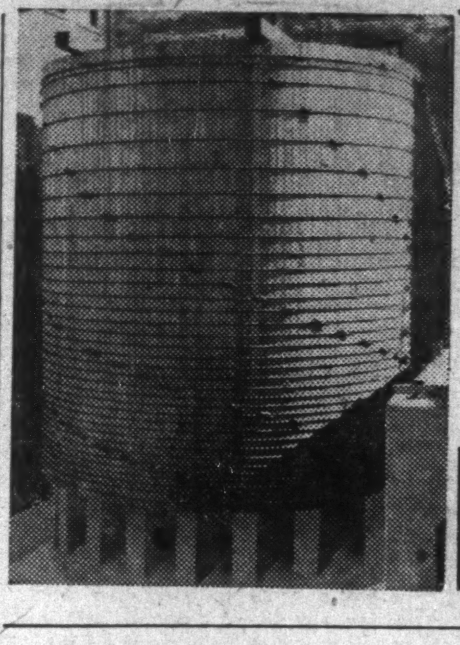
Output Variety

Pulp and paper output in the Maritimes takes in a broad range of products, including fine and specialty papers, newsprint, bleached and unbleached sulphite, sulphate and groundwood pulp, boxboard, paperboard and others.

This year, producers have watched demand for pulps and many types of papers, excluding newsprint, soften considerably from the high 1951 levels and some operations have been curtailed. Prices have also been lower and first half earnings reports show profits down from the same period of last year. Bathurst reported an estimated net profit for the initial six months down 22.3% from the comparable 1951 period, while Fraser Companies Ltd.'s net was off 19.3%. Lately, markets for some products have shown signs of strengthening again.

Mindful of the value of the raw material for the Maritimes' biggest industry, pulp and paper companies are joining forces with the provincial governments in efforts to protect the forests from overcutting and the ravages of disease.

An outstanding example was the $500,000 attack against the spruce bud-worm conducted early last summer by New Brunswick International Paper Co., a big newsprint producer. Over 20 aircraft were used to spray a 300-sq. mile area in Northern New Brunswick with DDT in an effort to save some two million cords of pulpwood from destruction. This was the worst bit of an area of 2,200 sq. miles in New Brunswick and Gaspe which had been seriously infested by the bud-worm. Long-term results of the job will not be known until next summer. The company puts up two-thirds of the cost, the Province one-third.



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Report on Newsprint Firms

(Continued from page 62)

relation to what the consumer can afford to pay.

In the five years to the end of 1951, Price Bros. spent $14,165,000 on modernization and improvement of plant and equipment. Because of the sulphur shortage, it has been decided to install a pyrite burning plant at Riverbend. This will supplant an equivalent 4,000 tons of raw sulphur now imported from the U.S.

Que. North Shore

Quebec North Shore Paper Co., a wholly owned subsidiary of Ontario Paper Co., Thorold, Ont., operates an up-to-date newsprint mill at Baie Comeau, Que. This mill, constructed in 1938, was the first major industrial enterprise established on the lower St. Lawrence north shore and required complete townsite, power, mill and woods development. This is in the general area in which the titanium and iron ore development are now being opened.

The mill produces about 500 tons of newsprint daily with pulpwood being supplied from the extensive timber lands at Baie Comeau. The majority of the paper output is contracted for by the New York Daily News and the remainder by the Chicago Tribune.

The pulp sales plant has a capacity of 120 tons per day. The power plant on the Outardes River has a capacity of 77,000 hp and supplies mill power requirements and lighting facilities in the town of Baie Comeau. The company properties in the townsite are operated by Baie Comeau Co., a subsidiary of Quebec North Shore Paper Co.

Manicouagan Power Co., a subsidiary of the Quebec North Shore Paper Co., was incorporated early this year to develop hydro-electric power at the first falls of the Manicouagan River at an estimated cost of around $15 millions. Construction started in the early spring and the first power unit is expected to start up before the end of 1952. Two generators with a total capacity of 90,000 hp, are being installed to supply the power needs of the Baie Comeau mill and provide electricity for the communities and industry that are growing up on the North Shore as a result of the development of this part of Quebec by the company at Baie Comeau.

Individual financial and operating statements are not issued by the company for publication as there is no public interest in the company.

Richmond P & P

Richmond Pulp & Paper Co. was formed early in 1950, acquiring the Bromptonville, Que., plant formerly owned by Brompton Pulp & Paper Co., which was shut down in May, 1949. A new machine is presently being installed at the plant, which will increase capacity to 75,000 tons of newsprint annually from the current 30,000 tons. Completion is expected by Dec. 1, 1952.

The Richmond mill, and the water power rights, were sold by Brompton in 1949 to the City of Sherbrooke for $725,000. The buildings were subsequently optioned for $400,000 to a U. S. firm, Reliance Enterprises Inc., which formed Richmond Pulp & Paper to operate the mill. Under the agreement, the company has also leased the 10,000-hp. power plant for a 10-year period.

Brompton closed down the mill a little over three years ago, when newsprint became more readily available, because production costs were considered too high. It lay idle from May, 1949, to July, 1950.

Pulpwood supplies consist wholly of purchased wood.

Capitalization of the company consists of 5,000 no-par-value common shares and 2,500 $100 par preferred shares. It is understood that Gene H. Kruger and B. G. Kruger of Kruger Paper Co., Montreal, hold a controlling interest.

St. Lawrence Corp.

St. Lawrence Corp. produces newsprint, unbleached sulphite and sulphate pulp, groundwood pulp, kraft papers and container boards, and lumber.

Formerly a holding company, it became an operating concern earlier this year. Assets and undertakings of its three subsidiaries, St. Lawrence Paper Mills Co., Brompton Pulp & Paper Co. and Lake St. John Power & Paper Co., were taken over by the parent company. The three subsidiaries are presently being wound up.

Annual productive capacities of the various mills owned by the company are as follows: Three Rivers, Que., over 205,000 tons of newsprint; Dolbeau, Que., over 100,000 tons of newsprint and 30,000 tons of surplus unbleached sulphite pulp; East Angus, Que., 58,000 tons of kraft paper and board products, 5,000 tons of surplus groundwood pulp and 10,000 tons of surplus unbleached sulphate pulp; Red Rock, Ont., 80,000 tons of kraft container board products, 9,000 tons of surplus groundwood pulp and 9,000 tons of surplus sulphate pulp; and Nipigon, Ont., 18,000 tons of groundwood pulp.

Now under way is a big $22.2 million program to expand productive capacity at Red Rock and expand and modernize capacity at East Angus. Expected to be completed by early 1954, it will raise annual saleable capacity at the former to 210,000 tons (presently 98,000 tons), at the latter to 84,000 tons (now 73,200 tons).

An existing machine at Red Rock, presently producing kraft corrugating and liner board, will be converted to newsprint manufacture, with a capacity of about 60,000 tons annually. A new 180,000 ton annual capacity machine for producing kraft corrugating and liner boards will be installed, plus facilities for turning out semi-chemical pulp. The company will then be able to convert all pulp produced at Red Rock into finished products.

At East Angus, two machines now producing board products will be modernized and speeded up, while one new machine will replace two others presently manufacturing kraft paper products. The wood handling system and pulp producing facilities will be expanded and improved. Here too, the changes will make possible conversion of all pulp produced into finished papers and boards.

To help finance the big program, St. Lawrence Corp. last April sold $22 millions 5% 1st mortgage sinking fund bonds, series "A," and $8 millions 4¾% 1st mortgage sinking fund balance, series "B". Proceeds from the sale of the series "B," plus part from the series "A," were to be used to pay bank loans incurred or assumed in connection with integration of the three subsidiaries into the parent company. The balance, some $11.6 millions was to be added to general funds to be used for "general corporate purposes."

In 1951, output of all products totaled 521,000 tons, up 40,000 tons from 1950. Consolidated net profit hit a new high at $9,247,477, a gain of 12% from $8,270,870 in the previous year. A reduction in profits on newsprint as a result of increased costs was largely offset by higher revenues from sale of surplus pulp products.

This year, earnings have been down somewhat, net profit for the six months ended June 30 totaling $3,112,058 against $3,977,786 in the same period of 1951.

On completion of its big expansion program, St. Lawrence Corp. will be the fourth largest unit in the Canadian pulp and paper industry. Planned improvements at Three Rivers and Dolbeau will boost newsprint annual capacity by 43,950 tons at these two mills over the four years 1952-55.

Over-all annual newsprint capacity will then amount to 371,475 tons, or 56.8% of total saleable capacity (58.7% at present); kraft paper and container board capacity will amount to 234,000 tons annually or 35.8% of total saleable capacity (now 26.1%); and annual surplus pulp capacity will total 48,000 tons or 7.4% of total saleable capacity (currently 15.2%).

St. Lawrence Paper

St. Lawrence Paper Mills Co. operations were taken over by its parent company, St. Lawrence Corp. (which see), earlier this year when the latter became an operating company. The three subsidiaries, including St. Lawrence Paper Mills Co. are being wound up.

Its outstanding first and second preferred shares were redeemed in July, 1951.

Spruce Falls

Spruce Falls Power & Paper Co. operates a newsprint mill at Kapuskasing, Ont. Kimberly-Clark Corp., Neenah, Wis., owns 50.12% of the outstanding common stock and the New York Times, which purchases the largest proportion of its newsprint requirements from Spruce Falls, owns the minority common share interest. Bulk of the remaining newsprint production is sold to publishers of several newspapers, including the Philadelphia Enquirer and the Washington Star.

The Spruce Falls mill comprises a newsprint mill containing four paper machines; a mechanical pulp mill with a capacity adequate for the paper mill's requirements; and a chemical pulp mill whose capacity is sufficient to supply the newsprint mill and the pulp requirements of Kimberly-Clark Corp. of Canada. The plant is also able to supply the parent company with the current sulphite pulp requirements of its U.S. mills over and above its own productive capacity. The plant produces 750 tons of newsprint and 375 tons of sulphite pulp daily.

The plant includes a steam powerhouse adequate for its requirements and those of Kimberly-Clark Corp. of Canada and, in addition, the company has two hydro-electric power plants from which power is transmitted to the mill over private transmission lines. Water power rights are held under long-term lease from the Province of Ontario. Developed hydro-electric power aggregates 75,000 hp supplemented by a 10,000 kw stand-by steam turbine generator.

Cutting rights are held on extensive pulpwood limits on Crown timber lands under long-term leases which, in the opinion of the management, are adequate for present and future requirements.

The properties of the company include a modern hospital, hotel, clubhouse and recreational facilities as well as a large number of homes for employees.

In the past five years, over $10 millions have been spent on modernization of the plant and allied facilities. Capital expenditures this year will total $2 millions, company officials estimate.

Results for 1951 were satisfactory from both financial and production standpoints, asserted President Cola G. Parker of the parent company. Equity of the U. S. company in Spruce Falls' net assets at Dec. 31, 1951, was $10,110,597, or $8,031,096 more than book value. Its equity in Spruce Falls' net income in 1951 amounted to $2,513,813 (U. S.), and dividends received from the subsidiary totaled $2,041,070.

In December, 1951, Spruce Falls refinanced and redeemed part of its preferred stock, having a par value of $10 millions.

Trees are a Crop — to be Harvested Wisely in Perpetuity

Our ancestors, on this forest-clad continent, cut down the trees and burnt them to clear the land for farm crops. They never thought of trees as a crop.

Today with the demands on our forest resources for newsprint, dissolving pulp, other forms of paper, wood cellulose in the manufacture of synthetic textiles — cellophane and many plastics — it is imperative that we harvest the forest crop wisely.

Canada's woodland area is one of the world's greatest productive forests. Through modern forest management not only is it possible to maintain our forests in perpetuity but to greatly increase the production of each forest acre.

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Every Canadian citizen shares directly or indirectly in the wealth from Canada's forests. As a citizen you can be personally a trustee of your forest wealth through care in fire prevention. A burnt forest harvests no crop.

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